The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

April 22, 1939

Move to Curb Local Press

AN EDITORIAL

What Will Hitler Reply?

America's Great Wall

BY EDWARD LEE

Fate of China's Textile Mills

Impressions of Shanghai

BY RICHARD HALLIBURTON

The Lincheng Bandit Coup

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Volume 88 Number 8

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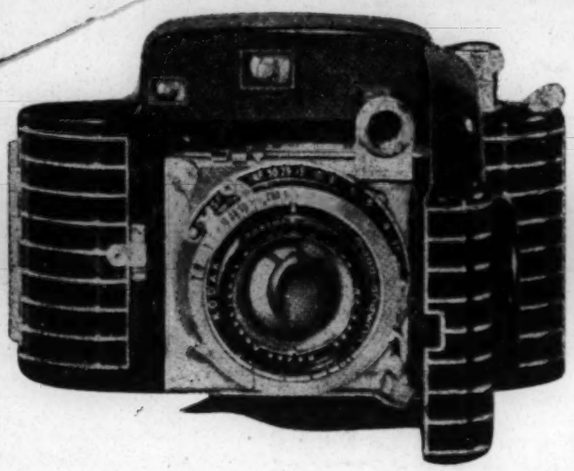

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What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review*.

"LOW ASSOCIATES"

To the Editor:

Recently we have experienced some delay in the receipt of our copies of **The Review**; some have taken longer than they did formerly. Please understand that I am not complaining, for I am surprised that you are still able to do business with such maniacs surrounding you as the Japanese, and with such a prone attitude toward all of it on the part of the State Department. I find **The Review** much more interesting than a year ago because you are giving us much more information of the far provinces, particularly that marvelous force, the 8th Route Army, etc.

What do you think eventually our government will decide to do about China? Surely, if for no other reason than self-interest, we should take a different stand. I am not expecting observations on their part to extend into the humanity of the situation, but the part we have played in the Spanish affair and the way we are arming Japan does not leave America with much to be proud of. We certainly have pretty low associates in England and France, so I suppose we will continue to be as bad as we have been. I wish you luck in the future as you have had in the immediate past, which leaves you able to operate anyway.

READER

Chicago, Illinois,
April 1, 1939.

FOR A FREE PRESS

To the Editor:

Since August 13, 1937, Japanese military forces have been in illegal occupation of the International Settlement north of Soochow Creek. From this section of the Settlement, whose neutrality the Japanese continue to disregard, the Japanese forces were largely able to dislodge the Chinese defenders of Shanghai.

Despite the continued illegal occupation of part of the Settlement and a hundred and one other allied acts, the Japanese last week protested against the alleged violation of the Settlement's neutrality by the Chinese. In particular, they objected to the publication of alleged anti-Japanese views in newspapers and other publications in the Settlement.

It is hardly necessary to go into what is regarded by the Japanese as anti-Japanese. Needless to say, everything that is anti-Japanese is that which tells facts about Japan's rape of China, which supports the Chinese Government, recognized by all foreign powers, which calls for patriotism on the part of Chinese, which exposes the hypocrisy of Japan's actions in China.

It is surprising, perhaps, that the British-owned daily paper here, the **North-China Daily News**, fully supports the Japanese demands that all "anti-Japanese" expression in Shanghai be muzzled. The arguments of this British sheet are that such expression violates the neutrality of the Settlement. But it is, perhaps, amazing to find this British paper asking more than the Japanese in the suppression of "anti-Japanese" material. I quote from an editorial in the issue of April 15:

> "That the powers (to suppress "anti-Japanese" propaganda) would normally be limited in the matter is clear, but unprecedented problems very often require unprecedented solutions, and if the (Shanghai Municipal Council) find that in correcting the abuses (sic!) complained of they have to act **ultra vires**, that should not restrain them from taking whatever action may be deemed necessary....."

Even the Japanese did not ask for the police to take illegal steps to suppress "abuses". That had to be done, mind you, by a British paper which so often sings the highest of praises to the due processes of "law and order."

This opinion expressed by China's leading British organ seems to bring home quite forcefully the observation made by Mr. George Fielding Elliot, the distinguished American military expert, who warned the democracies that it is bad business to "save democracy" by abrogating such democratic rights as still remain. In my opinion, the brazen hyprocisy of the **North-China Daily News** and its boot-licking of the Japanese is a real indication of how British policy in the Orient is now shaping up. Let the Shanghai Municipal Council attempt to act **ultra vires**, as the **North-China Daily News** implores them to do. There are not a few democrats in Shanghai who will fight tooth and nail against such acts.

DEMOCRAT

Shanghai, April 18, 1939.

PROBLEM?

To the Editor:

A young Chinese girl recently came to our hospital and gave birth to a

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Index for April 22, 1939

Editorial Paragraphs

The Consular Authorities and the Japanese Drive Against Press-Freedom 223
Japanese Army Sets Up Colonial Framework—Hopes to Become Self-Sufficient 224
New Nippon Order Calls for Six Children in Every Home! 226
War-Fearing World Awaits Dictators' Reply to President Roosevelt's Peace Plea 227
U. S. Minister Schurman Took Lead in Pressing for Release of Lincheng Captives 230
The Famous Lincheng Bandit Coup of 1923..... 231

Special Articles

No Possibility of Peace at Present, Chiang Declares 235
Neutrality—America's Great Wall ..... *By Edward Lee* 237
More on the Seven Deadly Sins in China..... *By Madame Chiang Kai-shek* 239
China's Cotton Industry Since the Hostilities 241
Missing Junk Adventurer Records His Last Impressions of Shanghai 242
Kuling Captured As Japanese Claim Chinese Counter-Offensive Stopped 244

Departments

What People Are Saying 221
Outstanding Events in the Sino-Japanese War 246
Who's Who in China 247
Men and Events 248
New Books of Interest in the Far East..... 251

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baby. With considerable embarassment she admitted the father was a Japanese soldier. The woman is entirely without funds for her own and the baby's support, hence must be supported by money donated by Anglo-American committees in Shanghai. There must be many cases like this, particularly in the Nanking and Lower Yangtsze districts. It doesn't seem right that American and British charity should be burdened with this sort of obligation, particularly in view of the grandiose statements of Japanese generals about their plans.

DOCTOR

Hospital in Kiangsu,
April 16, 1939.

ROOSEVELT'S APPEAL

To the Editor:

Since the last several months, intelligent and upright people in every land around the globe have been asking themselves: "Does it not appear inevitable that another Great War is soon coming? What can be done or said in order to prevent this inevitability? Who is in a pivotal position in the world and at the same time has the courage to take the initiative against the recourse to arms?"

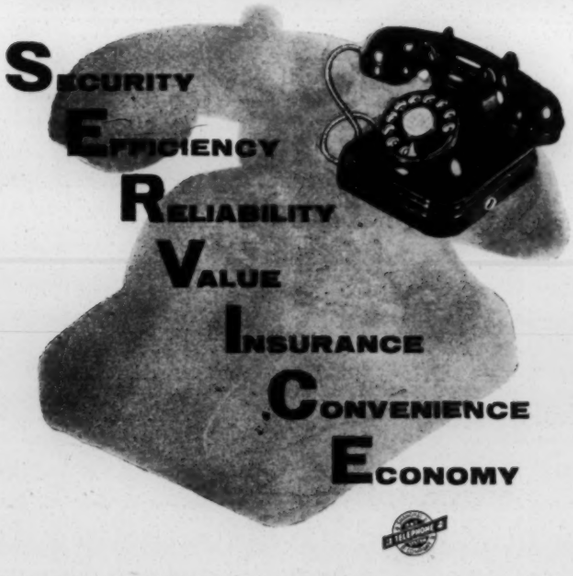
Now Franklin D. Roosevelt, President of the United States of America, takes that initiative. What may be the result of his action for the cause of peace in the form of a concrete proposal to Herr Adolph Hitler and Signor Benito Mussolini, respectively heads of the governments of Germany and Italy? Is this initiative effort to avoid war being exerted in vain? There is one certainty, however, which must be recognized reverently and that is: One man of all the peoples on earth stands up speaking well the inner voice of mankind which vibrates in every human heart only feebly at times, but irresistibly strongly in quiet hours with God. It seems to me both necessary and desirable that his message should be translated, printed, circulated free, read alone, considered together, and recited everywhere.

I am merely an ordinary Chinese citizen who is in no position to exert any international influence in order that even this war now waged against my home and my country might have been avoided. Nevertheless may I not, on behalf of all the Chinese like myself, express through your esteemed journal the hearty gratitude and humble appreciation for what President Franklin D. Roosevelt has said and done so far?

A QUAKER

Shanghai, April 18, 1939.

You have them all in ONE word



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The China Weekly
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The Consular Authorities and the Japanese Drive Against Press-Freedom

SEVERAL months ago it was suggested that the State Department should operate a government-owned radio station or series of stations in the United States for the purpose of combatting anti-American propaganda which was being spread through Central and South America by the German Nazis and Italian Fascists. As there was opposition in Congress to a government-owned station, a voluntary arrangement was made with the General Electric Company whereby powerful stations were erected on the east and west coasts by private interests.

There was no secret about the purpose of these stations: they were erected for the openly-announced object of combatting nazi and fascist propagandas which were regarded as detrimental to the interests and welfare of the United States. The station on the east coast conducts programs in the Spanish language for radio audiences throughout Latin-America. The station on the west coast—Treasure Island, San Francisco—broadcasts to two audiences, South America and to the Orient. The broadcast to the Orient—China, Japan, Philippines and South Seas—is short wave in English on 9,530 kilocycles, and has been exceedingly popular. The program consists of music, radio entertainment features and NEWS. Of greatest interest is the night news-broadcast (10:30 p.m.) which covers the entire world situation as well as news happenings within the United States and comment on developments in Washington.

While the broadcast to the Orient is still too new to judge reactions, the broadcast to Latin-America has produced phenomenal results. Millions of poeple who previously tuned-in on propaganda programs disseminated from Berlin and Rome, began to "listen-in" to the independent American news-broadcast. Whereas news reports from Berlin and Rome were tinged with official flavor by government propaganda ministries and always expressed 100-percent approval of the activities and hallucinations of the Hitlers and Mussolinis and their satellites, the American news broadcasts were frank, open, and correct reports of what was happening, not only in America but over the world generally, based on independent news-coverage by correspondents for three American press associations and dozens of newspapers of various political beliefs.

Anyone who has listened to the San Francisco news-broadcast will vouch for the correctness of the foregoing statements. Aside from the reports brought here by the American *United Press* service and now published in *The China Press* and *North-China Daily News*, there is no independent news report brought to Shanghai or China generally. Even the British *Reuters* service, once independent, is now subject to a certain measure of official control, resulting from financial support received from government sources. The subject recently was discussed in Parliament, hence there is no secret about it, but even though there had been no public parliamentary discussion, it has long been obvious that *Reuters* was suffering—in lesser measure, perhaps, but nevertheless suffering from the malady which has afflicted news reports from other European countries—the malady of official control. The difficulty of competing with powerful government-subsidized news services disseminated from Rome, Berlin, Paris, Moscow and Tokyo probably forced *Reuters* to also turn to its Government for support.

As a result of this situation—quite obvious to everyone—the only independent news reports, from neutral sources, now available in Shanghai are those brought here by the *United Press* and the broadcast from the Treasure Island station in San Francisco. There are some, doubtlessly, who do not fancy the broadcast of Hearst news from the Treasure Island station, but no one can accuse Hearst—an avowed political opponent of Roosevelt—of disseminating government propaganda!

SHANGHAI LINK UP

That there is a definite connection between the developments discussed in the foregoing and the present situation in Shanghai should be apparent to everyone, but particularly to American officialdom and the leaders of the American community. It also is of vital interest to the leaders of the British community, despite the fact that the two British newspapers here, the *North-China Daily News* and the *Shanghai Times* both, apparently, have made their peace with the Japanese militarists.

The point is this: If the American people at home regard it as important that the news channels be kept open for the dissemination of reports giving an independent and democratic interpretation of American and world happenings, then the American authorities here and the leaders in the American community, should oppose to the limit of their abilities, the attempt of the Japanese warlords to muzzle the press in Shanghai. The same applies to the leaders of the British community where similar sentiments on freedom of press and speech prevail. This little area within the International Settlement is the only place in Asia where one may write or speak without official restriction. That it should be preserved and kept open should be obvious to intelligent and fair-minded men and women. Should it become known abroad that Anglo-American consular officials and leaders of the Anglo-American communities here voluntarily permitted the Japanese militarists to

muzzle the press here, the ridicule probably would be somewhat similar to that which has greeted Chamberlain appeasement. How obviously ridiculous for home Americans to strive to keep the news-channels open against the inroads of Nazi-Fascist-propaganda and then have the leaders of the local community voluntarily surrender these privileges in the face of what is generally recognized as a cheap Japanese bluff!

Should the Japanese militarists be permitted to muzzle the press in Shanghai, their next step, obviously, would be to restrict radios and thus prevent reception of the American or any other non-Japanese broadcast. Then it would not be long before Japanese censors and spies would be "sitting-in" on all meetings such as those of chambers of commerce committees, classes in public and private schools and even the services of religious bodies.

There probably are a dozen newspapers in the Chinese language which are published in the International Settlement under American and British corporate regulations. These papers were incorporated under the laws of United States and Great Britain, following the complete suppression of the Chinese press *by the police authorities of the International Settlement* as a result of Japanese pressure. The fact that the British-controlled Police Department became panicky and suppressed the Chinese papers, some of them of many decades standing, with properties valued at many millions of dollars, will always stand as a blot on the escutcheon of a city which is controlled by representatives of nations which provide constitutional protection to a free press.

As we write these paragraphs we have before us a list of some 30 official newspapers which the Japanese Army has established in the various cities and towns of the Lower Yangtsze region. These papers are edited and published by the Special Service Sections of the Japanese Army which also operate heroin and opium-smoking dives and gambling establishments as side-lines. Thus far the Japanese have been unable to establish their "reptile" press south of the creek and there is little circulation of their propaganda sheets, which are published in Hongkew, on this side of Garden Bridge. The reason for this is that the independent Chinese papers—published under Anglo-American exterritorial protection—have been able to keep the Japanese sheets out. Should the Americans and Britons who are in control of the Settlement, permit the Japanese warlords to muzzle the Chinese press, the next step will be for the Japanese to establish and circulate their dirty sheets in the Settlement and this, in turn, will result in the alienation of the Chinese communities here—witness the recent anti-foreign (chiefly anti-British) campaign which the Japanese have conducted throughout Japanese-controlled territory. Do the Americans and Britons want this campaign repeated in the Settlement?

Also, and this is for the information of the foreigners: Should the Japanese be permitted to muzzle the Chinese press, it probably would not be many weeks before the foreigners themselves would be restricted to the *Domei-Transocean-Stefani* dispatches published in the pro-Japanese *Shanghai Times*! Imagine that for a breakfast news diet!

In making these statements, the writer is not trying to gloss over the failings of the local press. That there has been glaring violation of accepted journalistic ethics by newspapers camouflaged under foreign flags is obvious. The newspaper editors and publishers should take immediate steps to rectify these evils. From the standpoint of the Anglo-American authorities, they should insist that newspapers published under the protection of their laws, should conduct themselves in accordance with accepted journalistic standards, otherwise they should be denied foreign exterritorial protection. The Chinese papers published here, under American and British regulations, constitute (or should constitute) a powerful force against the further extension of Japanese-Nazi-Fascist ideology over the minds of the millions who now reside in the International Settlement. Conducted properly they should constitute a vital auxiliary to efforts which are being exerted in the United States to keep independent, democratic news-channels open

Japanese Army Sets Up Colonial Framework—Hopes to Become Self-Sufficient

The Japanese Army, despite repeated declarations of the Tokyo Government affirming adherence to the Open Door, has taken the significant, and possibly *fatal*, step of creating the frame-work for a colonial administration on Chinese soil. We emphasize the word "fatal" because the creation of the Asia Developement Board (also known as China Affairs Board) definitely indicates the intention of the Japanese military clique to keep a considerable portion of the Imperial Army and Navy in China—and make the Chinese people pay for it.

The plan is quite similar to the procedure followed by the Army in Manchuria which led to the creation of the puppet "Manchukuo Empire." In that case it was the so-called "Manchurian Affairs Bureau" a military-dominated organ within the Cabinet—independent from interference by the Foreign Office which paved the way for the present thinly-disguised colonial administration in China's Northeastern Provinces. The creation of Manchukuo also solved an important problem for the Army itself—it shifted the burden of supporting the Kwantung branch of the Imperial Army from the hard-working impoverished Japanese peasants, to the harder-working and more-impoverished Chinese coolies in the Manchurian provinces.

The official announcement of the Japanese Premier, Baron Kichiro Hiranuma, on April 11, outlined the activities of the so-called Asia Development Board. Baron Hiranuma's statement was made at the fifth conference of the Board which was attended by directors and officers stationed in China who were summoned to Tokyo for the meeting. The conference lasted two days and was held at the Premier's official residence. Those present, aside from the Premier, were Lieut. Gen. Heisuke Yanagawa, the Director General of the Board; Hachiro Arita, Foreign Minister; Sotaro Ishiwata, Finance Minister; Lieut.-Gen. Seishiro Itagaki, War Minister; Admiral Mitsumasa Yonai, Navy Minister; Lieut.-Gen. Seiichi Kita, Director of the Peking Liaison Office; Major-Gen. Takashi Sakai, Director of Mengkiang Liasison office at Kalgan: Vice-Admiral Shizuye Tsuda, Director of the Central China Liaison office at Shanghai, and Rear-Admiral Haruzo Mito, Driector of the Amoy Liaison Office.

It will be remembered that previous debates on this subject had caused the resignations of two previous foreign ministers.

Although the meeting of the Board was attended by the Foreign Minister, the creation of the organ will have the effect of eliminating the Tokyo Foreign Ministry from further negotiations with the ambassadors of foreign nations concerning the activities of Japanese enterprises in China. A statement of Lieut-Gen. Yanagawa that the activities of the Board would be concerned with political, economic and cultural activities in China,

gave only a slight indications of the extent of the Board's powers. Also the declaration of Baron Hiranuma to the effect that Japan does not intend to prohibit or restrict the economic activities of third powers in China, "beyond the needs of national defence and other vital requirements." must be accepted with considerable mental reservation.

The statement, "needs of national defence and other vital requirements" can be applied to block any activity by Chinese or foreigners which does not have the approval of Nippon's warlords.

Of greatest significance also, was the statement that the Asia Development Board will have charge of the "solution of various problems pending between the Japanese and third powers." This means that the previous method of handling complaints by foreign consular negotiation with the Japanese Consulates and the Tokyo Foreign Office will no longer hold good. In future foreign concerns will have to go to the Asia Development Board for a solution of their difficulties. Baron Hiranuma's statement that these problems would be handled, "with as much rapidity as possible" must also be accepted with reserve.

The striking thing about the personnel of the Board is that it is made up almost exclusively of army and navy officers, the only exceptions being the Foreign and Finance Ministers at Tokyo who, obviously, will have little to say about the functioning of the Board in China which will be entirely controlled by the military services, chiefly the Army.

It is too early to make definite forecasts, but recent statements by the War Minister shed considerable light upon the Japanese programme. Most important was his announcement that the Japanese plan to keep the major portion of the Army in China and that the intention is to make it self-supporting. This means that the Japanese Army is actually planning the creation of a colonial regime in occupied territory.

The Asia Development Board will not only have the job of adjusting relations with foreign interests which are already established in the field, but since the Asia Development Board will have charge of political questions, it naturally will have everything to say about the personnel and policies of puppet governments. It was not accidental that the "mayors" of practically all of the large cities held by the Japanese Army, as well as representatives of the Peiping and Nanking puppet regimes were also in Tokyo at the time of the inauguration of the Asia Development Board. A *Domei* report from Tokyo on April 9 stated that the Asia Development Board would have charge of such problems as Yangtze River navigation, the establishment of a new Central Government in China, and policies regarding Chinese currency and exports between countries within the "Yen Bloc." The last paragraph of the *Domei* report said that the Board would discuss "concrete measures for political and economic and cultural co-operation between Japan-Manchukuo and the Provisional and Reformed Governments."

The extent to which the Japanese Army is already engaged in business activities in China, through the operation of mines, railways and industrial properties, was slightly indicated by a *Domei* report from Taiyuanfu on March 31 telling of the operation of factories and other enterprises in Shansi which were seized by the Japanese army. The report was as follows :—

> "Part of the Yen 127,000 net profit earned last year by 21 factories and coal mines which are being operated under Japanese military custody in Shansi province will be distributed among civilian trustees who are managing the properties, it was revealed here today.
>
> Consisting of spinning and flour mills, tobacco, match and cement manufacturing plants, and coal mines, these industries are a part of 46 factories and enterprises in Shansi province which are being rehabilitated under the supervision of the Japanese military.
>
> Trustees of these industries have invested a total capital of Yen 5,000,000 in rehabilitation works in Shansi industry. The incomes from these military-controlled enterprises have been deposited in the local branch of the Bank of Chosen and will be used for further rehabilitation works by the Japanese military authorities."

FOUR LIAISON AGENCIES

The Japanese Government, on March 10, promulgated two Imperial decrees, authorizing the immediate establishment of four liaison agencies or branch organizations of the China Affairs Board. The agencies will be located in Inner-Mongolia (Mengchiang or Mongol border district), North China, Central China and at Amoy in Fukien. Offices will be located in Peiping, Kalgan, Shanghai and Amoy, with a sub-office in Tsingtao. The directors of these offices are all military or naval men—Lieut-General Seiichi Kita, Major-General Takashi Sakai, Vice-Admiral Shizue Tsuda and Rear-Admiral Shunzo Mito.

The offices in North and Central China are to have vice-directors in the persons of Major-General Hiroshi Nemoto and Major-General Sanetaka Kusumoto. Captain Yaichiro Shibata will have charge of the Tsingtao office, which will be under the North China agency at Peiping. Other branch offices, also presumably staffed with military men, will shortly be opened at Tientsin, Tsinan, Taiyuan, Kaifeng. Full liaison agencies similar to those in Shanghai and Amoy will also be opened in Hankow and Canton in due course.

The following explanation of the organization of the various liaison agencies, written by Noboru Ogata of the *Nichi-Nichi* staff, appeared in the April number of *Tokyo Kaizo :*

> "It has been decided that the North China Agency will have four bureaus, political, industrial, communications, and cultural; the Central China Agency, similar four bureaus plus a financial bureau for handling the Chinese yuna problem, while the Inner Mongolia and the Amoy Offices will only have sections directly under the control of Directors. Each of these liaison agencies will be richly staffed to cope with the stupendous task of reconstruction of China. Members of the staffs of these liaison offices combined will reach a large number, viz. 314 higher officials including 18 of the chokunin rank and 309 officials of the hannin rank. The North China Office alone will have 158 senior officials including eight of the chokunin rank and 143 officials of the hannin rank, showing that it has the largest staff of all the liaison agencies in China.
>
> "These liaison agencies will have a direct connection with the central organ for dealing with China's reconstruction, standing at the same time under the direction of the supreme commanders of the Army and the Navy on the spot. But how and in what manner will the mutual relation between the liaison agencies be established? What connection will they have with the proposed China Affairs Comittee? These are the questions yet to be answered, although the Director of the China Affairs Board and Directors of the Liaison Agencies on the spots are nearly on a par with each other.
>
> "Except Rear-Admiral Mito all the Directors of the Liaison Agencies have spent twenty or thirty years of their careers in China. By devoting their lives to the study of China and its people, they are conversant with every aspect of this nation.
>
> "In contrast to Lieutenant-General Doihara who is feared by the Chinese, Lieutenant-General Seiichi Kita, Director of the North China Liaison Agency, is looked up to by them with a deep feeling of familiarity. His China career began immediately after his graduation from the Military Staff College when he was a captain. Taking part in the Shanghai Incident of 1932, he acted as Chief of the Information Section on the spot. Then he was successively appointed staff officer of the Kwantung Army in August of the same year, Chief of the China Section of the General Staff Office in August, 1934, military attache to the Japanese Embassy in Peking in March, 1936, where he played an active part in the Sino-Japanese negotiations in the early stage of the current China Incident, and first Chief of the Special Service Section which was inaugurated in North China in the autumn of 1937. He made substantial efforts to create the Provisional Government in Peking in December, 1936, having since been extending every means of support to its sound growth. In March this year when he was promoted to a lieutenant-general, he was installed in the important office of Director of the North China Liaison Agency—an appointment which was highly appreciated by both the Japanese and the Chinese who know well his achievements in China.
>
> "Major-General Takashi Sakai, Director of the Inner-Mongolia Liaison Aegncy, is a native of Hiroshima, whose former family name was Ninomiya. He is a very old friend of China, having

spent more than thirty years there since he graduated from the Military Academy in 1909. After his graduation from the Military Staff College in 1916, he successively occupied the offices of staff officer in the General Staff, staff officer of the 6th Division which participated in 1929 in the Tsinan incident, Commander of the Tientsin Garrison in October, 1930, and Chief of the China Section of the General Staff Office, until he was appointed Chief of the Staff of the Japanese Garrison at Tientsin in August, 1934, on which occasion he amply distinguished his political ability in the enforcement of the Tangku Truce Agreement and the conclusion of the Umezu-Ho Ying-chin Agreement. Later he was attached to the General Staff Office, and appointed successively Commander of the 23rd Regiment at Miyakonojo and Commander of the 38th Brigade at Takasaki, though the outbreak of the China Incident summoned him to the spot as Chief of the Special Service Organ at Kalgan.

"Vice-Admiral Shizue Tsuda who has devoted two thirds of his naval life to China, is famous for his celibacy and love of drinking. On the occasion of the Manchurian Incident, he, as Commander of the 2nd Foreign Service Squadron, was in charge of the guarding of the coasts of the Kwantung Leased Territory, Manchukuo and North China, shutting up Chang Hsueh-liang's fleets in the port of Tsingtao. In the midst of the incident he was transferred to Admiral of the Port Arthur Naval Office, later being appointed Director of the 3rd Department of the Naval Staff Office and then Commander of the Japanese naval forces stationed in Manchukuo. Same as Admiral Keisuke Okada, former Premier, he is a native of Fukui prefecture and they have much in common in regard to their free and unconventional characters. Living so many years in China he has a wide circle of friends and acquaintances among the Chinese.

"Geographically, Amoy faces Formosa across a narrow strip of water, and this naturally attaches a special significance and importance to the liaison agency set up there. In a very real sense, it should be regarded as an extension of Formosa, the territory of Japan, rather than a mere organ for handling affairs in China. It is for this reason that Rear-Admiral Shunzo Mito, a man of no small caliber who has held various key posts in the Naval General Staff, has been ordered to head the liaison office. The appointment of Captain Chuichi Hara, Chief of the Special Service Section of the Navy, to this same liaison agency to assist the Director, is also a matter worthy of attention. Rear-Admiral Mito is a native of Hiroshima; and by the time he was ordered to serve in the Naval General Staff in the autumn of 1937, he had successively filled the posts of Chief of the Staff of the Mako Naval Station, Captain of the warships Kako and the Hrauna, Chief of the Staff of the 2nd Squadron, Commander of the Kure Naval Guards, and Commander of the Mako Naval Station.

"Besides the directors of the said four liaison offices, mention should also be made of Major-General Hiroshi Nemoto and Major-General Sanetaka Kusumoto who have been respectively appointed Acting Vice-Directors of the North China and the Central China offices. Coming from Fukushima Prefecture, General Nemoto is now at the active age of 48. Graduating from the Military Staff College, he was first ordered to China service, to be successively appointed staff officer in the service of the General Staff, Chief of the Press Section of the War Department, and commander of a certain regiment. When the present Sino-Japanese hostilities broke out, he was in China to witness their progress and development. A man of ability who is sturdy in character and mild in heart, he will certainly prove an ideal right-hand man of Director Kita.

"As for General Kusumoto, who is to assist Director Tsuda of the Central China Liaison Office, he, being in the China service prior to the outbreak of the China Incident, has since been playing an active part on the spot. He is one of the great authorities on China in the whole Army, and in the recent shake-up in March this year he was promoted to a major-general to assume the important responsibility in Central China."

New Nippon Order Calls for Six Children in Every Home!

Kazuyoshi Takejima, recently appointed director of a so-called "Living Section," in the new Japanese Ministry of Public Welfare, has announced that his goal is six children for every household in Japan. Births are to be encouraged and a state-controlled population investigation institute is to be established soon, according to Mr. Takejima's announcement. He declared that the matter of increasing Japan's population was the most important of the innumerable behind-the-gun measures which have been recommended for the country's welfare in this period of crisis.

Recently, Mr. Takejima sponsored a "Population Replenishment" week in Tokyo when all the newspapers published articles dealing with the falling birth-rate and made suggestions for rectifying the situation. Numerous were the proposals that Japan should follow the German and Italian precedents of paying state bonuses for the encouragement of marriages and births.

An obvious reason for the falling birth-rate, unadmitted by the authorities, is the loss of more than a half-million men who have been killed since the outbreak of hostilities in 1937. Also, it apparently has not occurred to any of the Japanese leaders that another potent reason for the falling birth-rate is the dispatch of more than a million of the country's males to the continent, resulting in postponement of marriages and a general disruption of thousands of households. And to make matters worse, General Itagaki, Minister of War announced that Japan intends to maintain the major portion of her army in China in future.

The predicament has, as stated in the foregoing, resulted in numerous suggestions. The country has already been operating a so-called "brides' school" for several years. Now there is a proposal to mobilize and train 2,400 would-be wives for the young men volunteers who are being sent to Manchuria. Some 40 percent of the 7,500 youth volunteers sent to Manchukuo this year are without wives so the Tokyo government has fostered the organization of classes for the training of brides for emigrant youths. Shortly, we presume, the War Department will be fostering a movement to send another army of females to China to be mated with the considerable portion of the nation's males who are to be kept on this side of the Yellow Sea. The Government denied a recent report that Japan was planning to send 60,000 young Japanese war widows to China with the object of mateing them with young Chinese in order to break down anti-Japanism in this country.

Aside from the problem of a falling birth-rate and how to deal with the situation, the war crisis has stimulated "self-study" in other directions, leading to some bizaare results. For example, one Fumio Assakura, a sculptor, who claimed to have made a 30-year study of the Japanese torso, has reached the conclusion that the Yamato race is superior to any race in the world. If this is not true, how is one to explain Japan's rise as a world power in less than a century, Mr. Assakura inquired.

Further proof of the superior mental power of the race of Nippon was presented by Dr. Mataro Nagao of the medical department of Tokyo Imperial University. In the course of a recent lecture, Dr. Nagao announced (Asahi, March 18) that he had been measuring and studying the brains of noted Japanese for more than 30 years and his conclusions had "completely overthrown" the pet theory of Europeans and Americans that the brains of Japanese were inferior to those of Occidentals. The average weight of Japanese brains—1300 to 1350 grammes—is the same as for Americans and Europeans, he said.

The self-study program has had one constructive result: it has stimulated a campaign against the two outstanding ailments among Japanese, tuberculosis and syphilis, said to be more pervalent in Nippon than in any other country. But an attempt to cut down a chief source of venerial disease in Tokyo—some 40,000 dance and beer hall employes and many more thousands of geishas—led to a near riot. The women insisted that it was an insult to hold them solely responsible for immorality and the spread of social diseases.

Japanese Organizing White Russians for "Baika-kuo" Campaign

The Japanese authorities in Tsingtao, a center for White Russian emigres, have launched a campaign to recruit and train all White Russian males in that area as semi-mercenary troops.

The Russians, according to reliable information from foreign sources, are promised that they will soon be given the opportunity of fighting for their homeland—which the Japanese designate as Baika-kuo—since the Japanese plan to occupy all of Siberia up to Lake Baikal and inaugurate a new nation there.

All White Russian males between the ages of 17 and 30 have been organized into a junior corps, and all between 30 and 50, including former service men, into a senior corps. All are drilled every Sunday and receive weekly lectures on military and political subjects.

Since the White Russians are literally men without a country, all those living in Tsingtao (and other Japanese occupied areas are under the complete domination of the Japanese and consider adherence to the Japanese plans as the wisest course to pursue under the circumstances even though many have no desire to fight against the Soviet.

Further information regarding Japanese military intrigue and pressure on the White Russian communities in North China, was provided by a Russian businessman from Teintsin who recently was in Shanghai. In an interview published in the *North-China Daily News*, he said the Japanese military authorities have adopted the attitude, "Either you join our anti-Comintern Society or else . . . . !", Some who had refused to join had received severe treatment, including imprisonment, he stated. He claimed that the Japanese had raised a sum of a half-million dollars in 1938 for the financing of their so-called "Anti-comintern House" by blackmailing members of the Russian community. One Russian resident of Tientsin, Valsy Semenoff, executor of the Batouieff Estate, was arrested and imprisoned, but no charge was brought against him in court. Later he obtained his release by paying a substantial sum to the "House." No one outside Japanese circles knows what becomes of the money collected in this manner, but it is supposed to be used for paying the salaries of the officers of the semi-mercenary troops which are being organized and also for paying salaries of Russian guards employed on the North China railways and telegraph offices. All Russians are forced to pay a "tax" toward the upkeep of the anti-comintern"House," the tax amounting to $1 a month for each $100 of salary. The recruiting of the Russian youths for the "Baika-kuo" campaign as well as the raising of funds for the Anti-comintern House, is controlled by the Speical Service Section of the Japanese Army.

War-Fearing World Awaits Dictators' Reply to President Roosevelt's Peace Plea

HONGKONG AUTHORITIES EMPOWERED TO HOLD ALIENS WITHOUT TRIAL

The current war scare was reflected in British Hongkong April 15, when Emergency Regulations were published empowering public officers and members of His Majesty's armed forces to arrest forcibly and detain in concentration camps, without trial, aliens to whom the regulations apply.

An Order-in-Council, published the same day, empowers the Colonial Governor to offer the British Admiralty the services of ships, officers and men of the Hongkong Naval Volunteers. In terms of the Order, volunteers may be called up for ships outside the limits of Hongkong and be subject to all the regulations of the Royal Navy, although hitherto they have performed service only within the Colony's waters.

AN uneasily expectant world is awaiting with more than the usual anxiety the speech which the German Chancellor, Adolf Hitler, is to make in the Reichstag on April 28, in the course of which, according to a Berlin announcement, he will reply to the personal peace message which President Roosevelt sent both to him and to Premier Mussolini of Italy on April 15. The President asked the two dictators to make a pledge that their armed forces will not cross the frontiers of 31 specifically-named countries of Europe and the Near East for at least 10 years, "or a quarter of a century, if we dare to look that far ahead." He added to this his personal word that if the desired promise were forthcoming from Germany and Italy, he would himself seek to call world disarmament and economic conferences in which the United States would participate.

It is perhaps needless to point out that the anxiety with which the response to the President's appeal is being awaited, is a reflection, first and foremost, of the universal opposition of the peoples to a war which, whatever the outcome, can produce only a new Versailles Treaty and thus set the stage for yet another world holocaust—and that at the cost of agony and horror of which the first World War was but a foretaste. Precisely this opposition to war on the part of the common people who must make the sacrifices and bear the burdens—an opposition which is as real in Nazi Germany and Fascist Italy as it is in other countries, though it is perforce less articulate—constitutes the greatest hope for a continuance of peace, or, if war does break out, its speedy termination by the outraged peoples who will be the cannon-fodder.

Because of the extraordinary gravity of the issue placed at stake by the mounting realization that the world hovers on the brink of a new 1914, there has been more than the usual amount of speculation as to what course the two big authoritarian states in Europe will decide to take. President Roosevelt, by his message, has thrown the onus of responsibility for war squarely onto the shoulders of Hitler and Mussolini. Will they sincerely abandon their vast schemes of Imperial aggrandisement and cooperate in efforts to establish a peaceful world order, or will they flately reject the overtures from across the Atlantic?

A third course seems more likely than either of these categorical alternatives, and that is that Hitler and Mussolini will make a "soft answer" to turn away the universal wrath (including that of their own peoples) which a categorical "No" would encounter, and divert their activity for a while into diplomatic channels with a view to disrupting the coalition which is forming against them. This would be tantamount to an admission that the diplomatic and military activity of the democracies in recent weeks has radically altered, for the time being, the balance of power—to the disadvantage of the totalitarian states. It would mean, at best, a further period of uneasy peace. The war threat would merely shift to the background; it would not be exorcised.

Abandonment by Germany and Italy of their dreams of imperial grandeur, which envisage as the ultimate aim the redivision of the earth by defeat of the democracies in war, is hardly to be expected. There is a tendency to regard the policies of Hitler, because of their adventuristic character and the grandioseness of the scale to which they are drawn, as the aberrations of an abnormal individual with a paranoic lust for power. To view politics in this way is to ignore the essential dynamic of all political life and the reciprocal influence of personalities and politics. Hitler is the product of post-war Germany, and not *vice versa*. He arrived at power in 1933 as the incarnate expression of the needs of an imperialistic power which, vanquished on the battlefield, shackled and suffocated by the Treaty of Versailles, was striving to regain that "Place in the Sun" which its highly-developed economy demanded. Had Germany won the war, Britain would have had her Adolf Hitler and France her Benito Mussolini, and they would have placed their totalitarian stamp on the national life of those countries. Adventurism—and many regard Hitler and Mussolini as political adventurers—is nourished in the soil of acute difficulty, in the life of nations as of individuals.

Neville Chamberlain, with his umbrella, is the personification of an Empire which wants to be left undisturbed in its possessions, an Empire which will attack only if attacked. Hitler, bewilderingly audacious in his policies and his acts, personifies a Germany which still has to acquire something to defend. Unless a world order can be erected in which power rivalry is eliminated by eliminating its rockbottom causes, the world will have more Hitlers and more wars.

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IN his message to Hitler and Mussolini, President Roosevelt said he was convinced that the cause of world peace would be greatly advanced if the nations could obtain a frank statement relating to the present and future policies of the German and Italian governments. Continuing, he said: "Because the United States is not involved in the immediate controversies of Europe, I trust you may be willing to make such a statement of policy to me . . . in order that I may communicate such a declaration to other nations which are now apprehensive over the course of the policy which your Governments may take.

"You realize, I am certain, that in the whole world hundreds of millions of human beings live today in the constant fear of a new war or even a series of wars. The existence of this fear and the possibility of a conflict constitute a source of serious concern for the American people on behalf of whom I am speaking and must also cause anxiety to the peoples of the other nations in the Western Hemisphere.

"All know that a large war, although limited to other continents, would weigh heavily on themselves while it lasts and would also influence coming generations. Since, following the acute tension in which the world lived during the past weeks, there seems to be at least a temporary appeasement because at the present time there are no troops marching, the moment is perhaps opportune to send you this message.

"I have previously addressed you in the matter of the settlement of political, economic, and social problems by peaceful methods and without recourse to arms. But the course of events seems to have brought back the threat of arms. If this threat is

maintained it seems inevitable that a large part of the world will be engulfed in a common ruin. The whole world, the victorious nations, the vanquished nations, and the neutral nations, will suffer.

"I refuse to believe that the world is necessarily doomed to such a fate. On the contrary, it is clear that the chiefs of great nations have the power to free their peoples from an imminent disaster. It is equally clear that in their minds and in their hearts, the peoples themselves desire that their fears be ended. It is, however, unfortunately necessary to note recent events. Three nations in Europe and one in Africa witnessed the death of their independence. A vast territory of another independent nation in the Far East was occupied by a neighboring state.

"According to persistent rumors which we hope are unfounded, further acts of aggression are being contemplated against other independent nations. To speak clearly, the moment is nearing when this situation must end in a catastrophe if a more rational means of guiding events is not found.

"You have asserted on many occasions that neither you nor your people desire a war," President Roosevelt added. "If this is true, then there must be no war. Nothing will convince the peoples on this earth that a Power has the right or the need to inflict the consequences of a war on its own people and on others unless it is evident that it is defending its territory.

"In making this statement, we Americans are speaking neither by selfishness, nor by fear, nor by weakness. If we speak now, it is as statesmen and by love for the human race. I am still convinced that international problems can be solved around a table. Consequently, it is not for one of the interested parties, replying to an appeal for peaceful discussion, to say that unless it receives beforehand the assurance that the decision will be favorable to it, it will not lay down its arms."

THE reaction of the German press to the President's message strongly indicated that little result can be expected from the peace overtures. In the sharpest language, the *Deutsche Diplomatische Korrespondenz*, mouthpiece of the Wilhemstrasse, told the United States to stay out of Europe's quarrels. The President, the paper said, has no right to assume the role of an honorable mediator between nations, since the United States is no more neutral today than it was at the time of the last World War.

Recalling the moral and humanistic principles of the late President Woodrow Wilson, the paper asserted that these had been disregarded in a most shameless manner, adding: "As for President Roosevelt, he has demonstrated for the past several years his open solidarity with the ideological opponents of Germany, and particularly with the central organization of that foe of culture —Bolshevism. He has missed no opportunity of fanning the flames of incompatibility in Europe and has placed the sharpest accusations and obstacles in the path of those who were inclined to pursue a policy of reconciliation and understanding with the Reich."

The paper went on to accuse the President of "seizing upon every opportunity for strengthening the front of revenge against Germany, and of supporting the policy which aims at Germany's encirclement." Mr. Roosevelt's peace appeal, the paper declared further, "is obviously designed to further this policy."

Equally vigorous in its attack was the Nazi organ, *Voelkischer Boebachter* which asked: "What would the United States have said 100 years ago if the King of Prussia had requested the United States President to guarantee Mexico, which between 1835 and 1848 had been robbed of half of its territory by American aggression, and how would a protest of the Kaiser have been received in America when the Spanish colonies were stolen in 1898?"

Der Montag declared that Roosevelt, after having carried on a two-year campaign of hatred against Germany, thus spoiling many a possibility for appeasement, now denies Germany the right to bring about real peace, adding that as long as the world exists mankind will not forget the "fraud" committed by President Wilson in 1919. But today, the paper concluded, Germany is wise to the intrigues of democratic policy. The *Lokalanzeiger* derided Roosevelt's claim to be an apostle of peace and pointed out that barely 24 hours before sending his message to Germany and Italy, Roosevelt broadcasted a speech denouncing the Germans as Huns and Vandals. The *Deutsche Allgemeine Zeitung* described the American President's message as hypocritical and said that whilst Roosevelt desires assurances from Germany and Italy that they will not attack Iran, he finds not a single word of condemnation for the British terrorist methods in Palestine. The *Hamburger Fremdenblatt* saw in Roosevelt's demarche an "extraordinary degree of naivte as regards political tactics" since it was Roosevelt himself who not later than at the end of last January coined the phrase: "America's frontier is on the Rhine." It was also Roosevelt who in his Chicago speech of October 6, 1937 recommended putting the totalitarian states into a "moral quarantine." thereby giving the signal for an ideological crusade which has succeeded in tearing Europe asunder and splitting the whole world into two hostile camps, the paper said.

In Italy, according to *Transocean*, the press accorded Roosevelt's appeal "the same frigid reception" as it encountered in Germany. Charging the president with "historical and geographical ignorance," the *Popolo d'Italia* said that Roosevelt lamented the disappearance of four independent countries, three in Europe and one in Africa, without taking the slightest trouble to inquire into the causes of these happenings.

Among the many reasons responsible for their disappearance, the paper continued, was one for which a predecessor of Mr. Roosevelt, namely, President Wilson, was responsible—the Treaty of Versailles. What is taking place in Europe today is in the majority of cases nothing but the justifiable reparation of injustices perpetrated under that cruel treaty, the paper declared.

The British and French press were as cordial to President Roosevelt's appeal as the German and Italian press were hostile.

While according to *Transocean* the diplomatic correspondents of London newspapers "express impatience at the dilatory treatment of President Roosevelt's message by Berlin and Rome," the papers left no room for doubt that they welcomed the President's effort at mediation for peace, at the same time assuming that the replies of Germany and Italy would be "negative."

According to the same agency, the President's action took the British Government by surprise. The London Foreign Office, however, issued a statement "heartily approving" the Roosevelt appeal which it referred to as a "statesmanlike initiative." Firm hope was expressed that the answers of Germany and Italy "will open the way to further steps of which the President speaks." Approval of the President's appeal was also expressed by the French Government.

The London press view was summed up by *Transocean* as being that Hitler and Mussolini, if they rejected Roosevelt's appeal, "would furnish the world proof that Germany and Italy intend to play the role of 'disturbers of peace'." The *Daily Mail* declared that the answer must be a clear "yes" or "no."

Newspapers in Paris were credited with the belief that Italy and Germany would return identic answers and that these would be of a negative character. M. Leon Blum leader of the French Socialist Party, and M. Leon Jouhaux, president of the General Confederation of Trade Unions, welcomed Roosevelt's message, which, embodying the idea of an international conference for settling disputes, accorded with the wishes of the Socialist and labor movements in France.

Michael Kalinin, chairman of the Central Executive Committee of the U.S.S.R., telegraphed congratulations to President Roosevelt, expressing "profound sympathy with the noble appeal which you have addressed to the governments of Germany and Italy. You may rest assured that your initiative finds the most ardent response in the hearts of the peoples of the Soviet Union who are sincerely desirous of the preservation of universal peace."

The Nazi press saw in the quick response of Kalinin—to whom they referred as "a ridiculous shadow in Stalin's Red Reich"—evidence that totalitarian Russia was already considered as the ally of the democracies against Germany and Italy.

"Remember My Mistake?"

Glasgow Bulletin

Shade of Napoleon: "I don't suppose there's any use me speaking, but I'd just like to say that my mistake was not knowing when to stop."

IN the United States, President Roosevelt's message tended to underline the rivalry between the isolationists and the advocates of collective security. It followed by one day the celebration on April 14 of the 49th anniversary of the establishment of the Pan-American Union, when Secretary of State Cordell Hull took occasion to emphasize "the ability and determination of the American nations to fight, if necessary, for their independence. America will not accept any international order based on force or the abrogation of the principles of justice, tolerance and law, Secretary Hull declared. The previous day, Assistant Secretary Sumner Welles, speaker at the "Founders' Day" exercises at the University of Virginia, urged the United States to sell all necessary war materials and other supplies to the European democracies in order to prevent their conquest. He advocated amendment of the Neutrality Act to achieve this aim.

On Pan-American Day, President Roosevelt himself, speaking before the governing board of the Pan-American Union, pledged economic action by the United States, and to "match force with force," in the event of it becoming necessary to defend the Western Hemisphere against foreign aggression.

Senator Walter F. George, Democrat of Georgia, attacked a remark previously attributed to the President, to the effect that he would return to Warm Springs in the autumn "if we don't have war." This remark, the Senator said, "had aroused genuine fear throughout the United States that American participation in a European war was already determined. Senator William E. Borah, isolationist Republican of Idaho, said that American leaders would be guilty of "stark treason" if they involved the United States in any European war. He denounced "leaders of all countries" because "they can talk of nothing but war . . . Examine the warmongers and you will find no one who would be subject to call in time of war," he said. Senator Borah declared that the democratic states of Europe were "treaty spoilsmen" and advised the American youth to deal with the problems of Nazism and Communism in the United States rather than abroad.

The National Council for Prevention of War, an unofficial federation of American pacifist organizations, has started a campaign for a world conference to settle problems of military and economic disarmament. Senator Robert M. LaFollette, Jr., Farmer-Laborite of Wisconsin, announced Apr. 13 that he is heading a Congressional movement for speedy consideration of the question of a referendum before war is declared. He will propose a constitutional amendment that "would make the Chief Executive take Congress and the people into his confidence prior to, and not after, making secret decisions or commitments which may lead to the involvement of the United States in foreign wars."

A vast flight of capital to the United States—described by American financial experts this week as the greatest movement of capital in all history—is taking place as the war scare grows. The American Foreign Policy Association reported Apr. 14 that instrumental values totalling $15,000,000,000 and consisting mainly of gold holdings of various European countries, had crossed the Atlantic to the United States recently. Of this vast sum, the Association said, some $12,000,000,000 would be available, in the event of war, to finance British and French purchases of war materials, and that this sum was expected to cover orders for the first two years of the conflict.

In the House of Commons last week, Prime Minister Neville Chamberlain announced the unilateral extension of British military guarantees to Rumania and Greece against possible aggression. Unlike the earlier guarantee given to Poland, it entails no reciprocal obligations by Rumania and Greece. The German press characterized the guarantees as a continuance of the British policy of encircling Germany. Meanwhile, negotiations are proceeding for the conclusion of a tripartite military alliance between Great Britain, France and the Soviet Union.

Military measures of a nature clearly preparatory for war are being taken in all European countries, especially in England and France. Part of Britain's Home Fleet has been moved into the Mediterranean, while Germany has announced that she will send a naval squadron to the Spanish Mediterranean coast for maneuvers. War risk insurance rates have been increased.

According to *Domei*, Washington officials are eager to know the Japanese Government's views regarding President Roosevelt's peace appeal to Italy and Germany, the return of the U.S. Fleet to Pacific waters, and Senator Key Pittman's recent speech suggesting an economic embargo against Japan. One official, the Japanese agency said (Apr. 18), went so far as to assert that while the President did not mention the Orient in his peace appeal, the return of the Fleet to the Pacific had two meanings: First, as a "preventive" measure against Japan in connection with the possibility that Italy and Germany would not go to war without Japanese action, and secondly as a "precautionary" measure to protect American supply lines to the Netherlands East Indies and British Indies in case Italy and Germany launched a war in concert with Japan, while the Atlantic could be well controlled by the strong British and French navies.

A *Reuter* message from Tokyo Apr. 19 quoted the *Asahi Shimbun* as saying that President Roosevelt intended to send a personal note to the Japanese Government similar to his communications to Hitler and Mussolini.

Must the Futile Tragedy Be Repeated?

In Rome, on Apr. 13, demonstrators who had gathered to hear Mussolini announce the "union" between Italy and Albania from the famous balcony of the Palazzo di Venezia, shouted "Down With France!" and "Let's March to Paris!" The Paris correspondent of the Soviet organ, *Izvestia*, reported Apr. 13 that Hitler is preparing to denounce the German-Polish non-aggression pact in the event that Poland fails to agree to German demands for the cession of Danzig to the Reich, cession of Oberg and Eastern Silesia, and the granting to Germany of a zone five kilometers wide for the construction of a highway through the Polish corridor. Indicating that a showdown is near on the future status of Danzig, Chancellor Hitler was made an "honorary citizen" of the Free City this week.

According to a *Havas* report from London Apr. 17, there are five demands upon which the axis powers will insist as their "primary conditions for the maintenance of peace." These are, according to the agency:

1. **The transfer of Danzig to the Reich.**
2. **Recognition of the preponderance of German interests and influence in the Balkans up to the Black Sea.**
3. **Italian participation in the administration of the Suez Canal.**
4. **The transfer to Italy of the French Djibuti-Addis Ababa Railway.**
5. **Large scale revision of the status granted Italian residents of Tunisia and possibly demands for the demilitarization of Corsica.**

U. S. Minister Schurman Took Lead in Pressing for Release of Lincheng Captives

(Second instalment of State Department Correspondence)

THOSE who read the first instalment of the diplomatic correspondence concerned with the famous "Lincheng-Bandit" incident, published in last week's issue (April 15) of *The China Weekly Review*, probably were struck by the leading part played by the then American Minister to China, Dr. Jacob Gould Schurman, in working for the release of the foreign captives.

All of the foreign ministers in Peking who had nationals involved in the incident, took an active part in the negotiations for the release of the captives, but none exerted the influence of Dr. Schurman, who left no stone unturned in pressing the Peking authorities as well as those in Shantung to take action. Excepting brief intervals on an official mission to the Philippines and as Minister to Greece and Montenegro, Dr. Schurman had come to China almost directly from Cornell University where he had served as professor of philosophy and later as President of the University. He had only been in China somewhat over a year when the Shantung bandit incident occurred; hence he was confronted with a practical problem in international politics which was far removed from the academic atmosphere of an American university campus. The fact that he succeeded in bringing the negotiations to a successful conclusion without involving China and the United States and the other nations in serious complications, testified to his ability as a negotiator. Sometime after the adjustment of the incident, Dr. Schurman delivered an address in Shanghai wherein he declared that it would be necessary for the Powers to adjust their relations with China, otherwise a serious crisis would develop.

The crisis which he sensed—in the course of the tortuous Lincheng negotiations—came four years later when the Nationalist movement swept northward from Canton and put an end to the system of semi-independent military governors whose civil wars and political intrigues were largely responsible for the bandit menace which reached its culmination in the Lincheng outrage. There is significance in the fact that the Japanese, in their present attempts to set up puppet administrations in China are selecting militarists and politicians who were in power at the time of the Lincheng affair and who were ousted as a result of the Nationalist movement a dozen years ago.

Among those who took an active part in the actual negotiations with local officials and bandit leaders was Roy Anderson, son of a Soochow missionary family which had long been indentified with Soochow University. Roy Anderson, now deceased, probably was the best Chinese linguist and had the widest acquaintance among Chinese officialdom of any foreigner in the country at the time. While Anderson took an active part in the negotiations for the release of the foreign captives and on two occasions actually entered the bandit camp, it was not known until after his death that he had been entrusted with this important mission by the then President of China, Gen. Tsao Kun. Of the following documents, heretofore unpublished, the first two refer to Mr. Anderson's appointment and his guarantee to the bandit chief and his followers that they would be taken into the army and looked after. The third document, unique in the annals of diplomacy, was the pledge given by the young bandit leader, Sun Mei-yao (Sung Kwei-chi) that he would be a good citizen thereafter. Aside from the Chinese witnesses, this document also contained the name of J. B. Powell, one of the foreign captives, who met Anderson in Sun Mei-yao's headquarters and participated in the final negotiations. The documents follow:

(Translation of telegram from Tsao Kun to General Wang.)
General Wang, Tsao Chwang.
Please decode the following telegram and forward same to Mr. Anderson:

"Mr. Anderson:

"You have acted as a negotiator in the Lincheng bandit case and, in spite of the hot weather and the hardships, have exerted your full energy as a mediator. I greatly appreciate this. As the case has now been discussed and a solution has been found, please do not hesitate to give the several guarantees demanded by the bandits, in order that both Chinese and foreign captives may be relieved from danger at an early date. I greatly hope that the case will now be settled in this manner. I therefore send you this telegram, trusting that you will note the same.

Tsao Kun. Seal."

June 8, 1923.

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Translation.

June, 1923

To
The Most Honourable Chief Sung
and all other Chiefs.

I, Roy S. Anderson, am an American citizen and a friend of China in life and death. As the brethren in the mountains are having hard times, as all Tan Chai (Chiefs) have shown genuine sincerity in their acions and words in all the conferences, and as they are willing to submit, I am willing to guarantee that my brethren will be organized into an army and made officers and privates. There shall be no more than three thousand people and the number of unarmed men shall not exceed five hundred. The Government will undertake to support two thousand and seven hundred people while all Tan Chai (Chiefs) shall make arrangements to pay the three hundred men, themselves. I am also willing to guarantee that after the brethren are "called and pacified," and their former crimes will be pardoned by the Government. After they are organized, their pay as agreed upon will be given to them according to their ranks, every month, by the Government. This guarantee shall be effective three years from the day of signing.

After you, my brethren, have submitted, you shall, for the sake of your country and fellow citizens, be loyal to your country and keep the order of the army, so that the whole nation, seeing that you are serving the country, will praise your spirit of sacrifice.

ROY S. ANDERSON

Witness:
Kiang Chin-yuan, Sung Fu-chi, etc.

Translation.

June 1923

To
Mr. Anderson.

I, Sung Kwei-chi, representing all brethren here, beg to say that we are willing to be "called and pacified" and organized into a national army. From this time on, we will be permanently loyal to the country and commit nothing that will disturb the order of the army or hurt the reputation of soldiers. On behalf of all brethren, I beg to make this important declaration that we have full confidence in Mr. Anderson and to the person of Mr. Anderson we pledge that we will permanently observe the above things.

SUNG KWEI-CHI
HSIN (Faith)

Witness:
Kiang Chin-tyuan
Sung Fu-chi
Chou Sih-sung
Pao Wei-er
Etc.

The following is a continuation of the official diplomatic correspondence between the American Legation in Peiping and the Department of State, referring to the bandit incident, the first instalment having appeared in last week's issue (April 15) of *The Review*:

State Department Correspondence

The Famous Lincheng Bandit Coup of 1923

Continued from Last Issue

evening 17th whether a demonstration by foreign navies would expedite the release of foreigners. They both answered in the negative and were strongly of the opinion such demonstration would be a mistake.

The foregoing portion of this telegram was written early this morning but I have held it till I could consult with my British and French colleagues this afternoon. After presenting my views separately to each I find each in perfect accord with me. The French Minister said that the idea of a naval demonstration was not his proposal, that it had come from the dean (who is the Portuguese Minister) and that it had been pressed by the ministers whose governments had no naval forces in Chinese waters. The British Minister recognized the soundness of my contention that a naval demonstration would have the effect of strengthening the bandits and weakening the Chinese Government and he showed no desire to have such a demonstration made. Though he has not reported the matter to his Government I am strongly opposed to making naval demonstration or seeking authorization to make one in the future in connection with the release of the foreign captives so long as the attitude of the Chinese authorities in this matter remains what it is today.

Some radical step by the foreign powers for the protection of the lives and property of their own nationals and for the establishment of peace and order in China may become necessary in the future. The Lincheng outrage, the kidnapping in Honan, and other violations of foreign rights are sporadic phenomena arising from the collapse of government in China and the usurpation of control by irresponsible militarists who may be provincial tuchuns, local commanders, or bandit chiefs.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 20, 1923—2 p.m.*

[Received May 20—1:10 p.m.]

174. My 173, May 19, 56 [2] p. m. and 172, May 19, 2 p.m. Berube released by bandits to come to Peking and bring message to diplomatic body and the President of China, arrived midnight and met this morning with us Ministers directly concerned and dean of the diplomatic corps. He sees President this afternoon and comes before the entire diplomatic body tomorrow morning.

Berube reports that Chinese troops have not withdrawn and that bandits instructed him to tell diplomatic body that if they are not withdrawn by Tuesday 22nd bandits will shoot two foreign captives.

Berube also reports that bandits will not negotiate till troops are withdrawn and that their terms include in addition to incorporation in Chinese [Army ?] with their own chief [and ?] his assistant as commander and chief of staff, and food supplies during negotiations, a guarantee of their security by six foreign powers.

The impossible guarantee demanded of foreign powers may be only part of the bandits' asking price and the threat to shoot some of the captives is not now made for the first time. But the outlook is worse than it has been. The possibility of shooting and the probability of delay in negotiations must be recognized.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 23, 1923—3 p.m.*

[Received 5:10 p.m.]

176. 1. Following from Davis and Philoon:

"May 23, noon. An investigation shows that troops made several retreats and that yesterday those nearest Paotzeku were distanced five miles. There was no fighting yesterday. Three representatives of the gentry went in yesterday (to) urge bandits to make reasonable terms. Bandits showing indications of a desire to negotiate. Morale of prisoners becoming lower. Yesterday they endeavored to get chief state his terms to them with a view to themselves sending these out. Treatment and communications are as before, but they write sanitary conditions are very bad. Anderson returning this afternoon."

2. Tien, Military Governor Shantung, accompanied by Roy Anderson arrived Peking evening 21st from Lincheng. Minister Communications, Wu Yu-lin, also returned. Tien had conference with President immediately after arrival and with Cabinet 22nd. Wu called on dean and American, British, French, Italian and Mexican Ministers afternoon 22nd, talked long time, answered briefly questions we put to him but replies and statement very unsatisfactory. I had three hours' conference with Anderson night of 21st and shorter conference 22nd just before he left for Lincheng on afternoon train. Tien still here. All Chinese notables have (apparent ommission) Lincheng.

3. Present situation is as follows: No negotiations with bandits for some days, no fighting though occasional firing which led diplomatic body 21st to protest to Government against non-withdrawal of troops as condition laid down by bandits indispensable to negotiation and (previously) accepted by Government. Military Governor Tien believes force should be applied to bandits and would fight but for danger to foreign captives. That being an international issue, he has come to Peking for instructions. He states that his dilemma (is) as follows: (1) fight the bandits and foreigners may be killed; (2) withdraw troops to points designated by bandits and confederate bandits will pour in from the three neighboring Provinces of Honan, Kiangsu and Anhwei, and together take possession of southwestern Shantung. Government cannot resolve this dilemma and commander of Shantung forces prolongs his visit here.

"Sun's Office"

This flag containing the one character "Sun" or "Swen" indicated the location of Chief Sun Miao-yao's Headquarters in the Shantung hills.

4. During first week or ten days Peking Government and all Chinese authorities were energetically bent on effecting release of captives. Reaction has set in with procrastination, talk, explanations, and mutual recriminations. Near the end of conference mentioned in paragraph 2 Minister Communications intimated diplomatic body had hindered action by Government and expressed a hope they might now have a free hand. I retorted that they had always had a free hand and that they alone were responsible and intimated that the world was appraising the will, ability, and sense of responsibility of Peking Government in discharging its international obligations by its conduct in this affair. When, in another connection he observed that they needed more troops to complete their broken cordon round the bandits, I inquired blandly if they desired the cooperation of foreign troops, he replied in the same tone that they did not at the present time.

5. He remarked with the air of one revealing confidences that he (apparent omission) there was politics in the business. From many concurrent indications I am convinced this is true. The politicians quickly perceived in the work of bandits valuable material for their purposes. Little Hsu and his Anfu supporters and the agents of Chang Tso-lin are using the outrage to discredit the Chihli Party, Peking Government which it largely controls, and its leader Tsao Kun who has been hopeful candidate for the Presidency. In this enterprise they are seeking the cooperation of Sun Yat-sen who has been fighting with success Wu Pei-fu's forces in Kwangtung and if I may judge from long conversations with C. C. Wu, Sun Hung-yi and Tang Shao-yi in Shanghai last week this cooperation is assured. Meanwhile, the criticism of the Chihli Party has given President Li Yuan-hung new hopes of official life and he comes out with the characteristically Chinese statement that he desires a Presidential election so that he may retire from office.

6. The terms and policy of the bandits are now probably inspired by these anti-Chihli politicians. And they are likely to play the game up to the limit of foreign endurance. On the other hand, Chihli Party politicians want the President, Cabinet and Peking Government generally as well as the Shuntung authorities to share with them the responsibility and the blame. If these parties are left alone, I imagine there will be prolonged negotiations among themselves, endless talk, party compromises, display of military

force, satisfaction of bandits and saving everybody's face.

7. The objection to this solution from the foreigner's point of view is that during the time required for its realization some of our fellow nationals on the top of Paotzeku may die of exposure, starvation or disease. The bandits would probably not kill the foreign captives for they are of no value to them when dead but their lives would nevertheless be in danger if the bandits are fiercely or continuously attacked by the Chinese forces or if an attempt is made to starve the bandits out.

8. Americans and Europeans in China greatly stirred up over situation. American Chamber of Commerce, Shanghai, demands foreign negotiations direct with bandits and use of foreign troops to effect release of captives, but I am still of the opinion that we must work through the Chinese authorities and bring pressure to bear upon them whenever they relax their efforts. I have thought it would produce a good effect if the diplomatic body sent an international commission as was provided on my motion last fall for the release of the captured missionaries in Honan and which proved most effective, only in this case I would have commission composed of the commander(s) of the China expeditionary forces in Tientsin. I have summoned General Connor to Peking for a conference this afternoon on this proposal and on the suggestions that have been made for the use of foreign military force which I recognize might conceivably become a necessity in the end but which, as I have already said, I should think a grave mistake at the present time. I have not thought it necessary to call Admiral Anderson who is now on the upper Yangtze into this conference especially as he is to be with me here on June 9th.

9. My own policy is to keep hammering at the Chinese Government for the immediate and safe release of our nationals and to hold up to them their exclusive responsibility. In that connection I will again remind them as I did Minister of Communications yesterday that foreign nations will form their opinion of the nature, character and efficacy of the Peking Government by their action in this case. And I would have it to be (apparent omission) Peking Government alone to determine which means they should adopt to comply with our demands.

10. The safety and proper care of the captured foreigners is the subject of our constant solicitude. Shanghai American Chamber of Commerce has done splendid work in sending and organizing relief. But voluntary contributions may fail. And I therefore pledged $2,500 gold yesterday from the United States Government in case it was needed for the purchase of food, bottled water, supplies, etc., about to be delivered to the top of Paotzeku for the captives to whom I also sent seven marine corps tents. Up to the present time it is the Americans who have furnished all the supplies to all the foreigners. Chinese have offered money which I have given instructions to refuse. Chinese, however, are feeding the Paotzeku bandits and that is why our food is not entirely stolen.

11. I have the honor to request that I be given a credit of $2,500 gold as a "captives subsistence, supplies and emergency fund" with instructions regarding payments and vouchers.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 23, 1923—6 p.m.*

[Received May 23—1 p.m.]

178. My 176, May 23, 3 p.m., paragraph 8. Diplomatic body at meeting this afternoon adopted my suggestion of sending international commission to Tsaochwang composed of military commanders at Tientsin or substitutes named by the Legations concerned with instructions to investigate and report upon military situation.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 24, 1923—5 p.m.*

[Received May 24—8:50 a.m.]

179. Chinese authorities not informed.

In accordance with resolution of diplomatic body consuls at Lincheng have been instructed to convey following message to brigand chiefs:

"[Apparent omission] is delayed or withheld owing to the refusal of brigands to accept reasonable terms offered to them by the Chinese authorities. Foreign governments will hold brigands responsible with their lives for any fatal consequences which may ensue to their nationals as a result of such delay or refusal to treat."

Consuls have been instructed in making this communication to make it quite clear to brigands that they are not authorized to enter into negotiations with them or to give any form of guarantee.

SCHURMAN

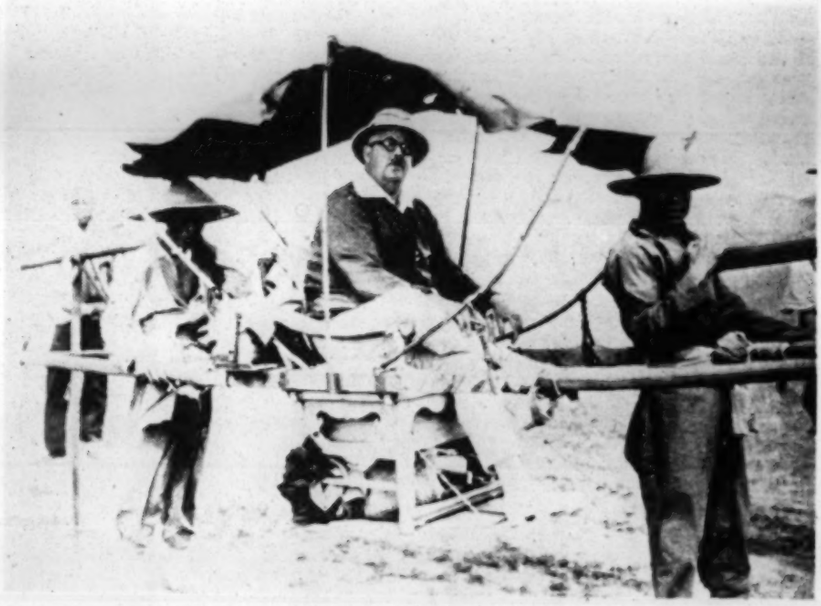
The Minister in China (Schurman) to the Secretary of State

PEKING, *May 26, 1923—noon.*

[Received May 26—6:58 a.m.]

182. Foreign opinion in China unanimously and vigorously declares Lincheng outrage on foreigners (1) is the limit and (2) must be the last. Yet concessions to the bandits for release of foreigners, as was indispensable in Honan last winter and will this summer be indispensable in Shuntung, encourage and stimulate fresh attacks. Furthermore, the existing military conditions of China as explained in my published report [apparent omission].

He Knew Northern Politics



Roy Anderson, son of an American missionary, was born in Soochow and had a better knowledge of the Chinese spoken and written language than most foreigners. He was also an "expert" on northern Chinese politics; hence was of great assistance in effecting the release of the captives. The picture shows Anderson in his "sedan chariot" on his way to the bandit camp at Paotzeku.

"ESTEEMED GUESTS" OF THE BANDITS

(See Pictures on Opposite Page)

TOP pictures show the foreign and Chinese captives at the time of their release after 38 days of captivity in the Shantung mountains as "esteemed guests" of the bandits.

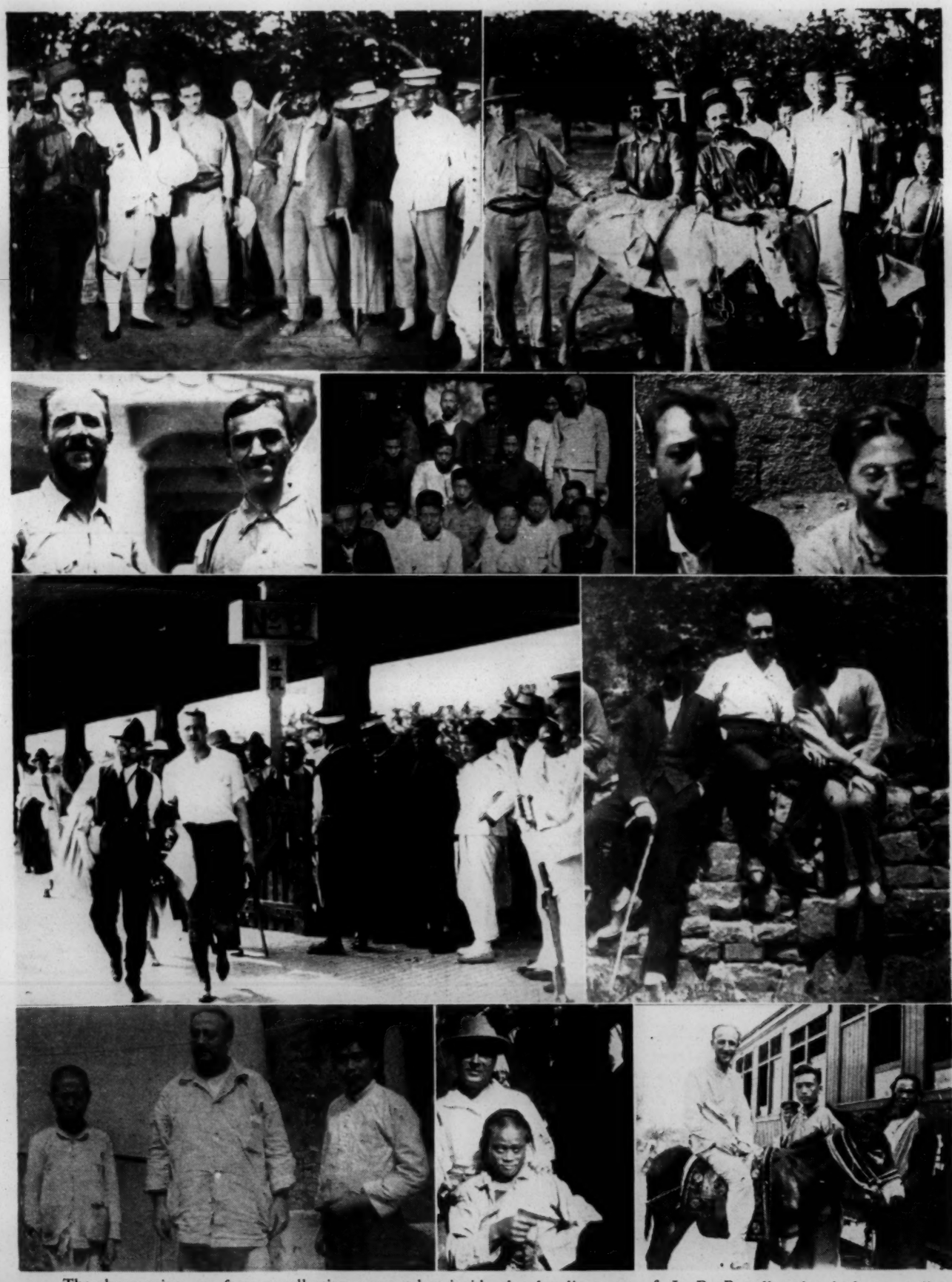
SECOND ROW: left to right—Two American Army officers who were bagged, Major R. A. Allen and Major R. W. Pinger; (center) part of the 60-odd Chinese passengers who were captured; (right) two Chinese captives from Shanghai, Chi Ching and C. G. Hung.

THIRD ROW: Captives arrive at the Shanghai North Railway Station where they were welcomed by a great crowd of Shanghai residents, in the foreground, J. B. Powell and Lloyd Lehrbas; right Theodore Saphiere, E. S. and F. S. Elias; Emil Gensburger was standing with this group.

BOTTOM ROW: G. D. Musso, prominent Italian attorney, standing with a youthful member of the bandit gang, while standing on the right was one of the Chinese students, nicknamed "Prof." Chang, a medical student who was of great assistance to the captives; center, Leon Friedman, Shanghai motor car dealer with his bandit-captor; right, Henley, one of the captives arriving at the railway station attired in the pajamas he wore when captured.

"Esteemed Guests" of Shantung Bandits

(*Description on next page*)



The above prints are from a collection, some taken inside the bandit camp, of J. B. Powell, who had a small vest-pocket Kodak which was smuggled into the camp in a box of California raisins.

My colleagues and I are thinking and conferring about this problem. The remedies suggested in resolutions of Chamber of Commerce and public meetings by newspapers and responsible individuals include the placing of small foreign garrisons at strategic points on the Yangtze and on the coast in addition to Tientsin, the disbandment of Chinese troops with the aid of foreign military force, foreign control of the railway police by means of foreign officials (among whom a foreign accountant is often mentioned) and foreign supervision of Chinese finance with proper budget and audit system. Even the sweeping away of the Chinese Government and the setting up of an international regency is seriously discussed.

Some of the foregoing proposals aim at the direct protection of foreigners, others by strengthening public administration would, it is argued, indirectly protect foreigners. There is evidence, however, of a disposition to use the Lincheng outrage as a reason for reforming China generally as well as for the protection of foreigners.

Nevertheless, foreign life and property, treaty rights and lawful interests have for some time past been treated with growing disregard by the Chinese and they are now seriously menaced by lawlessness and by bandit outrages, which, if present conditions continue, are practically certain to recur with increasing frequency and probably with larger proportions and more disastrous consequences.

In my conversations with my colleagues on this subject it is highly desirable, in fact almost essential, that I should know whether my Government would approve of any scheme whatever which involved the extension of the use of foreign force in China for the protection of our nationals in the future. I have the honor to request, therefore, that I be given confidential instructions for my private guidance at your earliest convenience.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 28, 1923—4 p.m.*
[Received May 28—9:15 a.m.]

185. My 179, May 24, 5 p.m. Telegram from Lincheng May 27, 2 a.m., reports that brigands replied in polite tone and stated that they would do nothing to endanger lives of foreigners and that they would accept reasonable conditions if Chinese Government would offer them. Brigands reiterated their five demands.

Powell returned to Tsaochwang May 27, 6 p.m., with two bandit secretaries, whose safe conduct he guaranteed. This forenoon secretaries were conferring with Assistant Military Governor.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May 29, 1923—4 p.m.*
[Received May 29—11:30 a.m.]

186. Your 91, May 28, 6 p.m. Following are the five demands referred to: (1) Withdrawal of soldiers; (2) Central Government to furnish bandits regularly with food and clothing; (3) ten thousand bandits Plava [*sic*] district to be formed into four mixed brigades under direct control of Central Government which should furnish arms and ammunition; (4) Central Government to give six months' pay in advance, also arrears of pay not to exceed total of six months' pay; (5) upon consent of Central Government to above terms, an agreement to be drawn up between Central Government and bandit chief to be signed in the presence of a representative of diplomatic corps who is to act as guarantor for the proper execution of agreement.

SCHURMAN

The Consul General at Shanghai (Cunningham) to the Secretary of State

SHANGHAI, *May 31, 1923—4 p.m.*
[Received May 31—4:36 a.m.]

Davis reports Allen and Smith released unconditionally. Proceeding Tientsin. Negotiations continuing favorably.

CUNNINGHAM

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 1, 1923—4 p.m.*
[Received June 5—2:34 a.m.]

193. At a meeting at this Legation afternoon, May 31st, International Commission, General Connor, President, received written instructions prepared as authorized by diplomatic body by five ministers concerned and dean and then in conference with Chinese genreal who is to accompany them they tentatively arranged the program of their Lincheng visit. Besides two aides-de-camp General Connor takes to assist him Colonel Barnes and Colonel Wainwright, New York state congressman, who arrived here yesterday. Commission left Peking for Lincheng on 4.25 train this afternoon.

SCHURMAN

The Secretary of State to the Minister in China (Schurman)

[Paraphrase]
WASHINGTON, *June 1, 1923—7 p.m.*

97. Your telegram of May 26, noon, was referred to President Harding and he fully endorses the view that any attempt to bring comprehensive or general armed pressure to bear upon China would be useless. He agrees that the task would be too great and that it would arouse opposition likely to involve foreign interests in danger wholly out of proportion to the amount of protection afforded. The President also is in accord with the view that the undertaking could only be entered upon with such cooperation from other powers as might involve difficulties and compromises in the policies of this Government and might be the occasion for the entrenchment of other nations in a position which would facilitate ultimately their control over the economic and political development of China. The only condition under which serious consideration could be given to the subject of general intervention in China would be such a degree of disorder and chaos as would be a definite threat to the whole system of foreign interests and residence in that country.

The above statements are not incompatible with the possible use of force limited strictly to an objective so clearly defined that it will not afford any opportunity for its purpose being misconstrued or any pretext for the eventual enlargement of its character and scope for ulterior purposes. The principal reason for any such display of force would be to attempt to restore and increase foreign prestige in China by impressing upon the Chinese people and Government the necessity of respecting foreign nationals and property.

I have had occasion in connection with the Lincheng outrage to consider the feasibility and the possible usefulness of foreign occupation of the railroad from Tientsin to Pukow in an analogous manner to the occupation of the line from Peking to the sea. The purpose of such an occupation would be as stated in the preceding paragraph as well as to guard this line of communications and to form a possible base for foreign cooperation with Chinese forces should it become necessary to demand that banditry in southern Shantung be exterminated. I am not at all convinced that such action is desirable. I would, however, like to have you frankly give me your views on this question and also upon the suggestion made by your British colleague that a railway police be established to give adequate protection to foreign nationals and interests, this force possibly to be under international supervision and paid from railway funds under international control. I also wish your opinion regarding the possibility of placing other trunk lines under the protection of such a police force to guard against bandit raids and also to keep local authorities from unwarranted tampering with the railway revenues or facilities.

The proposed establishment of garrisons along the coast and on the Yangtze River seems to be only the first step toward general intervention. Unless the suggested use of foreign forces to bring about the disbandment of Chinese troops involves only the giving of technical military assistance in carrying out a program of disbandment which is agreed upon, the proposal would imply impossible belligerent support to the faction controlling at Peking.

While I frankly distrust both the political effects and the efficacy of any attempted exercise of general foreign control over the finances of China, I would also be pleased to receive your comment on the possibility of inducing the Chinese Government to accept and carry out a proper system of budget under the control of an impartial international auditing board.

HUGHES

The Consul General at Shanghai (Cunningham) to the Secretary of State

SHANGHAI, *June 2, 1923—6 p.m.*
[Received June 2—8:45 a.m.]

Referring to my telegram of May 31, noon [4 p.m.?]. Davis telegraphs 2 o'clock this afternoon: Henley, Eddy Elias, Saphiere and Verea unconditionally released.

CUNNINGHAM

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 6, 1923—4 p.m.*
[Received June 6—1:31 p.m.]

199. My 193, June 1, 4 p.m. Congressman Wainwright left Tsaochwang on June 5, noon, and arrived Peking about noon today in advance of international commission. He reports that "representative of Governor of the Province and the bandits appear to have arrived at an agreement by which every bandit who has of [*a?*] rifle or a pistol will be enlisted in the Army; that the counting of the arms and preparation of a muster roll or enlistment is proceeding; that the bandits are not satisfied with the guarantee of the Government as to their pay, but will be satisfied if Roy Anderson, an American citizen whom they seem to absolutely trust, will guarantee that they will receive their pay for three years, which is the term of enlistment; that Anderson is willing to give his personal guarantee, provided that he is guaranteed in writing, also personally, by Tsao Kun, that harmony appears to have been restored to the bandit camp and the captives not to be suffering in health, though they are getting somewhat low in spirit; and that there is no definite indication of how long it will be before they are released." I asked Congressman if Anderson's guarantee would be interpreted by bandits as guarantee of American Government. He replied that possibility had never occurred to him, but he was convinced that there was no ground for apprehension.

Following released captives lunched with me today: Major and Mrs. Allen and son aged 12 years and Henley. All are perfectly well and normal except Henley, who is suffering from nervous overstrain.

SCHURMAN

(*To be Continued next week*)

No Possibility of Peace at Present, Chiang Declares

IN odd contrast to the present large-scale Chinese offensive against the Japanese is the sudden recrudescence of peace rumors, apparently inspired by the recent meeting at Shanghai of the British envoys to China and Japan, Sir Archibald Clark Kerr and Sir Robert Craigie, and the impending visit of Sir Archibald to Chungking.

The rumors are not only current in Shanghai, but also rife in Hongkong. It has been persistently reported that Japan is bringing pressure to bear on Britain to mediate and that Sir Archibald is carrying with him the Japanese peace terms transmitted to him by Sir Robert Craigie.

In a press interview at Chungking on Apr. 18, Gen. Chiang Kai-shek declared that "in the existing circumstances there is no possibility of peace." Japan, he said, had been reduced to the rank of a second-rate power as a result of China's prolonged resistance and the time was bound to come when the Japanese people could no longer bear the strain of war. The conflict would come to an end when the Japanese militarists realized their mistakes and abandoned their attempt to conquer China.

Asked how the military situation was likely to develop, the Generalissimo stated that it had been China's policy to gain time at the sacrifice of space, and finally to defeat the enemy through an accumulation of small victories.

No Knowledge of Proposals

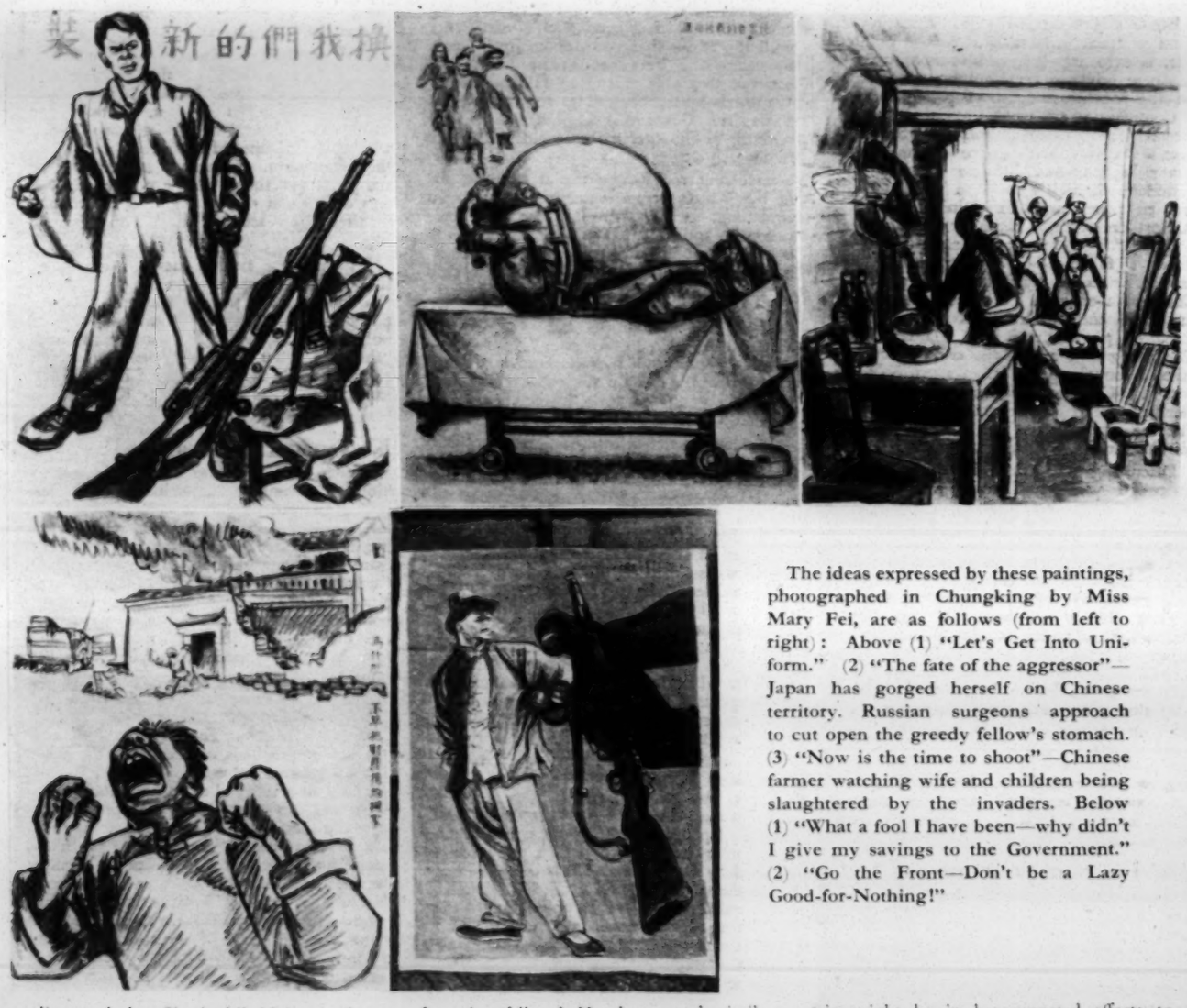
Official circles in Chungking categorically rejected the possibility of British mediation as a result of the British ambassador's forthcoming visit, and disclaimed any knowledge of his bearing any Japanese peace proposals. Recalling the failure of mediation efforts following the fall of Nanking, the Italian and British attempts after the fall of Hsuchow, and similar maneuvers after the capture of Wuhan, Dr. H. H. Kung, president of the Executive Yuan, declared, "We still are not interested in Japanese peace terms and will resist to the end."

The Chinese press in Shanghai likewise scouted the possibility of a successful British attempt at mediation. Judging by the tone of the press, the Chinese people are in no mood to talk peace at this juncture, especially in view of the fact that the international situation is gradually turning in favor of China. The opinion is generally expressed that no peace with Japan is possible, if it is one on Japan's terms.

Whether the peace rumors have any basis or whether the British ambassador's trip to Chungking is connected with any attempt at mediation, is as yet impossible to ascertain. But to describe his visit there as merely "routine" does not seem to be convincing. Apparently, the trip is being undertaken for some purpose more weighty than that, though its exact nature is not known. In view of the present grave situation in Europe, it would certainly be to the advantage of Britain to see the China war ended and more importantly, to detach Japan from the Rome-Berlin axis. However well-intentioned Great Britain might be in her reported efforts to mediate, there appears to be a grave danger to China that British mediation at this time might lead to another Munich pact at China's expense. Whatever the purpose of Sir Archibald's present trip, it will be highly interesting to watch his activities and their possible consequences.

One curious reaction to the peace talk is the sudden drop of the Hongkong dollar in relation to the Chinese dollar. According to a dispatch published in the *Shanghai Evening Post*, there is a growing belief in Hongkong that peace will come soon, despite official denials. It is this belief, the dispatch said, which is responsible for the big demand for the Chinese dollar and the consequent depreciation of the Hongkong currency. Sir Archibald's present

Examples of Patriotic Cartoons Painted by Young Chinese Artists



The ideas expressed by these paintings, photographed in Chungking by Miss Mary Fei, are as follows (from left to right): Above (1) "Let's Get Into Uniform." (2) "The fate of the aggressor"—Japan has gorged herself on Chinese territory. Russian surgeons approach to cut open the greedy fellow's stomach. (3) "Now is the time to shoot"—Chinese farmer watching wife and children being slaughtered by the invaders. Below (1) "What a fool I have been—why didn't I give my savings to the Government." (2) "Go the Front—Don't be a Lazy Good-for-Nothing!"

trip to Chungking is definitely linked with a British attempt at mediation, but the attempt, it is explained, is being made under the pressure of the Japanese, who are threatening to intensify the anti-British agitation in their occupied areas in China, unless Britain brings pressure to bear on Chungking to come to terms. The alleged peace proposals which Sir Archibald is said to be carrying to Chungking are kept a dead secret, and according to the *Post* dispatch, the official Chinese stand is that no peace terms or peace maneuvers should appear in the press.

Kwangsi Precautions

In spite of the peace talk, the Chinese military authorities in Kwangtung and Kwangsi are taking no chance against a possible attack on Kwangsi. The present counter-attack in Kwangtung, it is pointed out, is evidently intended to hold up any Japanese advance on Nanning via Pakhoi on the southwest coast of Kwangtung.

Commenting on Japan's repeated "peace" moves, the *Morning Leader* in Shanghai asserted that Japan's peace efforts would never be successful, if she continued to collude with such traitors as Wang Ching-wei or other unstable Chinese elements. Almost every major battle was followed by a "peace" move, the paper said, but every time it failed. The insincerity of the Japanese was clearly pointed out by Gen. Chiang Kai-shek in his speech denouncing the statement of Prince Konoye, former Japanese premier, of Dec. 22 last year. The pledges of aggressors could never be relied upon, the paper emphasized, pointing out that Czechoslovakia was absorbed by Germany after Hitler made his promise that the annexation of the Sudetenland was his last territorial claim in Europe.

Discussing the possible effects of a European war on China's resistance to Japan, the *Chinese-American Daily News* expressed the opinion that such a war would bring advantages as well as disadvantages to China, but they would probably balance each other. While allaying the fear that an armed conflict in Europe might tend to weaken China's resistance, the paper cautioned the public against the possibility of Japan inducing Great Britain and the United States to intervene in the Sino-Japanese hostilities in her fauor. "China is fighting against aggression single-handed," the paper said, "and does not expect any other Power to get involved in the war. She is determined to conclude the present war by her own force. Hence, China is not anxious to see war break out in Europe at this moment, but she is not afraid of such an eventuality."

Wu Denounces Wang

While, officially, Chungking refuses to take cognizance of Wang Ching-wei's recent statement issued at Hongkong or to comment on his alleged agreement with the Japanese premier, Baron Hiranuma, one interesting reaction in government circles was the denunciation of Wang by the veteran Kuomintang leader, Wu Tze-hui, in an open letter to him.

Mr. Wu, who is famous for his sarcasm and sharpness of language, charged Wang with exposing vital state secrets and denounced his so-called peace proposals as being inspired not by any real regard for the welfare of the people but by personal vanity and selfish ambition.

Characterizing Wang as a "political prostitute," Mr. Wu said that Wang's crime in disclosing official and military secrets is punishable by death. Referring to Wang's argument for peace, which included the loss and destruction of the most important cities, Mr. Wu stated that in order to achieve final victory, "China will have to undergo sacrifices and sufferings."

Mr. Wu roundly accused Wang and his wife of conspiring against the state and organizing a group of conspirators with a view to causing disturbances in order to pave the way for the organization of a so-called "central government" by Wang. Such an attitude on the part of Wang, Mr. Wu said, is the same as that of Pu Yi (puppet emperor of Manchukuo) and Dr. Hacha (last Czech president).

Falsification Charged

Mr. Wu also charged Wang with deliberately falsifying the official documents which he recently published in Hongkong. According to Wang's statement, Dr. Oscar Trautmann, then German ambassador, in his conversations with the Chinese foreign minister in November 1937, said that Germany had lost many good chances for concluding peace during the World War, with the result that she was finally obliged to accept the Versailles Treaty. Mr. Wu asserted that this was pure fabrication by Wang, because, according to official records, the German Ambassador had said nothing of the sort to the Chinese foreign minister.

Referring to Wang's denial of a report in the *Ta Kung Pao* concerning his secret agreement with the Japanese premier, Baron Hiranuma, Mr. Wu said that not only is the report entirely true, but he himself is in possession of concrete and detailed evidence proving that Wang is guilty of collusion with the enemy with a view to "selling the country." Mr. Wu hinted that Tseng Chung-ming, Wang's confidential secretary, before his death in Hanoi on March 21, was "conscience-striken and revealed Wang Ching-wei's secrets to the Central Government."

Illustrating the failure of Japan's policy of "using the Chinese to fight the Chinese" and the risks of being traitors was a series of assassinations of Chinese puppets in various Japanese-occupied areas last week. In Kaifeng, capital of Honan, six leading members of the so-called Pacification Committee were killed by unidentified assailants who invaded a meeting of the committee and shot all of them. Those killed included the chairman of the committee, Hu Yu-kun, and a former high officer in the Manchurian army, Fu Shuang-ying. The committee was formed at the beginning of the year for the purpose of looking after Chinese soldiers who pretended to join the puppet North China regime.

The assassination, which was believed to have been carried out by some of those soldiers, was generally regarded as a severe blow to the plans of Gen. K. Doihara, head of the Japanese secret service in China. The committee, according to a pet scheme evolved by Gen. Doihara, was to have been the embryo of a big military headquarters for Marshal Wu Pei-fu, in the event of his consenting to organize a new federated government with jurisdiction over all Japanese-occupied areas. In spite of all Japanese persuasions and intimidations, Marshal Wu has steadfastly refused to become a Japanese puppet. Marshal Wu is reported to have secretly left Peiping for an unrevealed destination, but confirmation of the report is lacking.

Since March 30, three assassinations have occurred in Soochow, seat of the puppet Kiangsu provincial regime. On that day, Feng Hsin-chi, chairman of the so-called *Ta Ming Hui* (Great People's Society), a notorious pro-Japanese organization, was shot and killed. Two other puppet officials died at the hands of patriotic terrorists last week. They were Yao Chih-an, secretary of the "Public Affairs Department" and Sheng Ke-an, commander of the so-called "Self-Defence Corps" in the Huang-chin district of Soochow. In all cases no arrests were made, despite the vigilance of the Japanese garrison in Soochow.

A Faked Document

A not too ingenious piece of Japanese propaganda made its way into Shanghai's newspaper offices, but a fatal flaw led to its immediate detection and collapse. Early in the week, all local newspapers received a copy of a circular purportedly issued by the "Shanghai Branch of the Central Committee of the Chinese Communist Party." The sheet directed a vitriolic attack against Britain and France and urged China's "eternal union with Soviet Russia." "China has only two friends," it read in part," and these are the Soviets and to some extent, the United States of America. Neither England nor France desires the liberation of China. They do not even want to see China a united country." Both Britain and France were charged with helping Japan and bitterly denounced.

The similarity between the arguments used by the authors of this circular and those used in the Nanking newspaper attacks on foreign powers, aroused the suspicision of local foreign correspondents who quietly launched an investigation into the document. Japanese authorship of the piece was thoroughly exposed, when it was discovered that the alleged communist manifesto was actually printed on Japanese paper.

Exposing the fictitiousness of the leaflet, the Chungking spokesman of the Chinese Communist Party promptly denied that the party had any thing to do with it. "It is only too evident," the spokesman said, "that the leaflet was distributed by certain elements with the intention of harming the existing relations between the Kuomintang and our Party."

Newspapers Threatened

Copies of a circular letter threatening violence against four British-owned and two American-owned Chinese dailies and the *China Weekly Review* were received by the respective papers, purporting to come from an organization styled as "The China Patriotic Youths' National Salvation Association." Bombs and bullets are the weapons which they contemplate using against the papers, and the "patriots" say that they have no objection to dying with the staffs of the papers.

The six dailies are the *Ta Mei Wan Pao*, Chinese edition of The *Shanghai Evening Post*, *The Standard*, *Ta Ying Ya Pao*, and *Yih Pao* (all British owned) and the *Hwa Mei* (American owned).

The epitsle charged the Kuomintang with using the *San Min Chu I* as a pretext for retaining its power and exploiting the people and with "surrendering national interests to Europe and America." Against the newspapers, the circular threatened, should they persist in continuing their absurd opinions and failing to give honest views, the "Pioneers of Salvation will most certainly use force to suppress them."

Another circular issued by the same organization warned the Chinese residents in the foreign settlements in Shanghai against further display of the Kuomintang flag. "If they continue to do so," the patriotic youths declared, "they will be greeted with bombs and bullets."

Police of the International Settlement and the French Concession are investigating the affair.

Fu Siao-en may lose his job as head of the Shanghai City Government at the end of this month, when a reorganization of the regime is expected to take place. Fu's most serious rival is Kao Kuan-wu, "mayor" of Nanking, who has been coveting the rich Shanghai post. Soo Hsi-wen, former "Ta Tao" mayor whom Fu ousted, is said to be also staging a come-back.

An anti-British league organised by the

(*Continued on page 250*)

Neutrality—America's Great Wall

BY EDWARD LEE*

DURING the course of his speech before the joint session of the Senate and House of Representatives on March 4, President Roosevelt made it quite clear that the United States will not "approvingly watch the return of forms of government which for two thousand years have proved their tyranny and instability alike." This not only applies aptly to the two land-hungry Empires in Europe which are now causing the chancelleries of the world such sleepless nights, but to the equally if not more rapacious Empire in the Far East which is seizing China's territory under the pretext of establishing "a New Order in Asia."

Originally framed to keep the United States from becoming embroiled in foreign wars, the Neutrality Act has had a very disastrous effect, especially in Asia, upon the principles of democracy and self-determination, for its provisions have not only placed no check on international brigandage but encouraged the violation of international law and agreements and helped to tie the hands of innocent victims of armed aggression struggling against great odds for national existence.

The people of America are horror-stricken by stories of atrocities committed by Japanese soldiers upon defenseless Chinese women, and the ruthless, indiscriminate bombings of open cities, but let them stop to consider the part played by American businessmen in selling supplies to Japan, without which the war cannot be carried on.

It cannot be denied that a considerable number of the Japanese bombers which rain death over our cities are either bought direct from America or use American spare parts, while the bombs which are killing and maiming innocent women and children in such large numbers are manufactured from American metal and scrap iron, the largest quantity of which goes to the Island Empire.

For over a year, during the course of my work, I saw with my own eyes sights which I will never forget as long as I live. And yet, the devastation of open Chinese cities, towns and villages, the mutilation and tearing of the bodies of women and children into fragments, are all facilitated through the use of oil, of which America supplies over 60 per cent of Japan's total imports.

The Meaning Distorted

The very meaning of the word "neutrality" has been distorted by the operation of the Neutrality Act. By neutrality is meant not to become involved in any way. In actual operation, the Neutrality Act handicaps China—the victim of aggression who is in great need of war supplies—and assists Japan—the aggressor and disturber of world peace—thereby nullifying America's neutrality status.

The average man-in-the-street may be horrified by reports of the massacres of civilians in China, but does he realize that the cotton and chemicals used for manufacturing the explosives to carry on the slaughter of civilians are sold by vested interests in his own country, and that the war supplies used by the aggressor to carry on the work of mad destruction are made by American labor, carried by American ships and loaded by American longshoremen? At least, there is now a realization of the moral responsibilities involved, for a fresh arrival from America stated that all new orders for war supplies to Japan are being rejected and present shipments consist of only unfilled contracts.

Since international peace pacts uphold the principle that aggression upon one signatory becomes the common concern of all signatories, it is difficult for observers in China to see how it is possible to reconcile the Neutrality Act, or isolationism, with the Briand-Kellogg Pact, which stands for participation in world affairs.

In the words of President Roosevelt, "the automobile, the railroad, the airplane, the electric impulse over the wire and through the ether leave to no citizen an excuse for sectionalism." It is apparent that sectionalism is the forerunner of isolationism. Or is this putting the cart before the horse? Over two thousand years ago, China built the Great Wall as an expression of isolationism, but now, even in this part of the world, the Great Wall of isolation remains useful only as an object of curiosity. It is hoped that America, which is setting the pace for all things modern, is not emulating what China did before the Christian era.

While America is a self-sufficient country, she could not have reached her present stage of material civilization without extensive foreign trade. This trade in the Pacific is just as important to America as her commerical relations with Europe and South America. It was for the purpose of upholding the principle of equal opportunity for all in commerical dealings that John Hay announced his famous Open Door doctrine, and this was welcomed and remembered as a timely act by a China whose territorial integrity was then threatened by the Powers. The principle of the Open Door has been and is still maintained wherever the jurisdiction of Free China holds away. The outrageous actions of the Japanese in Occupied China, however, have now left no doubt, even in the minds of the "die-hards," that Japan is determined to drive out American, British and other foreign interests bag and baggage from the whole Far East. It should be clear even to the advocates of isolationism that the Neutrality Act, without proper amendment, would in the not distant future, whether Americans like it or not, compel the abandonment of all American interests in the Far East.

America is now at the crossroads. A retreat to the other side of the Pacific and erection of a Great Wall of isolation cannot ensure immunity, as modern weapons

Will He Be Happy When He Gets There?

Gale Cartoon

**Mr. Lee was the former editor of "The Peking Leader" which was closed under pressure from the Japanese. He is the author of "Two Years of the Japan-China Undeclared War," "Modern Canton," etc., and is now engaged in writing another book.*

of destruction have become so powerful and far-reaching as to break down the natural barriers of the Pacific and Atlantic Oceans. With Japan in occupation of the Hawaiian Islands, there is no guarantee that Alaska, the Western Pacific coast, the Panama Canal and other communication routes would not be endangered.

Therefore, America would be preventing the fire from spreading to her own doorsteps if the American people would take steps to accelerate the movement to stop selling cotton to Japan and boycott Japanese manufactures and raw silk, of which the United States consumes over 90 per cent of the Island Empire's exports.

Chinese Misapprehension

In view of what had transpired during the past few years, the Chinese people have been laboring under a misapprehension of the real intentions of the Great Republic on the other side of the Pacific Ocean although those who are in touch with American affairs know the difficulties which the Administration is facing. The recent loan has again brought reassurances that America, China's traditional friend, will not fail her in her hour of need. Senator Pittman's introduction of a bill in the United States Senate to amend the Neutrality Act at least shows America's interest in the present Sino-Japanese undeclared war.

Judging from the meager reports at hand, it seems that the bill for amendment of the Neutrality Act does not define aggressors and victims of aggression, but gives the president power to name the states involved and prevent American vessels from carrying passengers or articles directly or indirectly to the states named. Leaving aside the European situation for the moment, unless the President takes pains to name only Japan as the belligerent and specifically makes exceptions for the victim of aggression, China will be the party to suffer the most as she has no ocean liners and little money to take advantage of the "cash and carry" provision.

China does not expect America to send a single soldier to assist her in the war by which she is defending the very principles of democracy and freedom which are so dear to the hearts of every American. But she has every right to insist that the violator of world peace should no longer be provided with supplies in any form, and that the defender of right and justice should be given every economic and material assistance.

Ricsha Pullers Counter Owners' Latest Demand

Shanghai's ragged and exploited army of ricsha pullers this week countered a demand by the owners of the vehicles for a 10 per cent increase in rentals by themselves demanding a 10 per cent reduction. Flatly rejecting the owners' demand, the pullers point out that the owners have not been as badly hit by rising costs as they make out, declaring that in the 20 months since the outbreak of hostilities here the owners have saved $11,400 monthly or more than $220,000 by having to pay no license fees in what were the Chinese-controlled sections of the city. The pullers also state that the owners have saddled them with minor repairs, thereby effecting a further saving.

If the owners secure their demand for an increase, ricsha rentals will be back where they were before 1937, the rate then being 85 cents a day. The present rental is 77 cents a day.

Chinese Pioneering In Young California

Recently-discovered records in California have shed new light on the extent of Chinese participation, not only in gold mining, but also in railway construction in California. That Chinese labor constructed the western ends of all of the transcontinental railways in the United States and Canada is well-known, but Chinese participation in early gold mining in California has not been so well-known. The accompanying sketch is from an old print showing Chinese engaged in both placer mining and railway construction. It is reproduced from the *Chung-Mei Chronicle*, organ of the Chung Mei Institute, a school for Chinese orphans in the San Francisco district.

CHINESE IN CALIFORNIA - EARLY DAYS

According to the article, the first Chinese to settle in California landed at San Francisco on the American brig *Eagle* in February, 1848. They were two men and one woman. The woman joined the family of a Mr. and Mrs. Gillespie, while the men went off to the then newly-discovered gold mines. Other reports have attributed to Chum Ming, dealer in tea, shawls, fans and other Oriental commodities, the honor of arriving in California in 1847 and thus preceding this other trio. Chum Ming also joined the gold rush, and was successful in finding considerable gold. He immediately wrote his friend, Cheong Yum in Canton, and it was not long before Cheong and his wife had also arrived and joined the gold-seekers.

News of the California gold discoveries produced a sensation in Canton almost equal to that produced on the east coast of the United States. The Chinese name for it was *Kum Shaan* or "Golden Hills," a name which Chinese still use for California. At the close of 1848 there were only seven Chinese registered in all California, but by January, 1850 there were 800. By the end of 1850 there were 4,000 and the number had swelled to 12,000 by the end of 1851. The 1860 census showed nearly 30,000; 1870 census over 60,000. By 1880 the Chinese population had reached its all-time high, slightly over 100,000.

Become Laundrymen

It was due to the peculiar social conditions created by the discovery of gold that the Chinese in San Francisco engaged in the laundry business, a line of activity which spread all over the country in later years. The sign of a "gentleman," otherwise one who had "struck gold" in early California days, was the white-starched shirt, which became a real luxury. Since everyone was engaged in mining gold and there was a shortage of women, the laundering of white shirts became a serious problem and charges ran to exorbitant heights. Many actually found it more economical to send their shirts—by sailing ship—to Honolulu. It was at this point that the industrious Chinese sensed a golden opportunity—the washing and starching of white shirts. Chinese laundries sprang up everywhere and were so welcome that they were labeled "mutual benefit societies."

But vast numbers of Chinese went to the hills to engage in gold mining and many found quantities of the precious metal. The influx of Chinese to the mines, where they accepted lower wages than the Irish immigrants were willing to work for, led to prejudice and rivalries and finally to rioting and anti-Chinese movements. The same was true on the railways, where Irish immigrant labor and native politicians, also chiefly Irish, caused serious trouble for the Chinese. Later, when gold mining became more difficult and large capital became necessary for machinery, the Chinese turned to shop-keeping, gardening and other pursuits.

More on the Seven Deadly Sins in China

BY MADAME CHIANG KAI-SHEK

Editor's Note—Following is the eighth instalment of Madame Chiang's "Resurgam" series which has been appearing in the special New Life Movement supplement of the "Central Daily News" in Chungking, and of which the tenth and final instalment appeared in last week's Review. The present instalment is published out of sequence because the translation was delayed in reaching us.

WHEN our country really gets down to the business of setting its house in order it will not be long before we shall see our faces reflected in the polished surfaces of its furniture. It is the ambition to see those surfaces shine that has encouraged me to apply some elbow-grease to the wholesome swabbing out of the dirt, and to the exposure of the dark corners to the cold white light of publicity. It is not, of course, a savory business, and many would naturally prefer to do without the airing and the cleansing—but in the interests of honesty and progress and organization it must be done.

We must have organization, and we can get it as soon as we have rid ourselves of some of the morally offensive cobwebs and garbage which have blinded our eyes and obstructed our social and official feet.

Already I have appealed for the cleansing away of several pernicious customs, for the eradication of outstanding noxious evils, and for the extirpation of deleterious habits which assume in their effects the nature of sins. I said in the previous article that there were seven deadly ones. There are more, in reality. I dealt at some length with two of them, and there remain others for brief arraignment and condemnation.

Cliquism is one of them. Cliques seem to hold sway in many places. They are like dry rot in the administration. They stifle enterprise and initiative. They operate to oust honesty and efficiency by preventing a patriotic "outsider," or a stranger to the clique, from gaining a position, no matter how capable he may be. And they eject, or try to, anyone of any independence of character or mind who may happen to be near them but not of them. Every clique is a refuge for incompetents. It fosters corruption and disloyalty, it begets cowardice, and consequently is a burden upon and a drawback to the progress of the country. Its instincts and actions are those of the pack.

A Crippling Weakness

Lack of self-discipline, another of the sins, contributes to exactly similar conditions. Its origin may be in the failure of schools and colleges to teach mental discipline, or it may be the lack of standards in officialdom. Whatever the origin, it is a crippling weakness. The student who has not been taught how to think succumbs easily in his adolescence or maturity to the influences of evil environment. Indolence and inefficiency, indifference to the interests of the State, or disregard of the incidence upon national life of misguided actions, place a distinguishing mark upon those who never knew, or who have forgotten, how to control their actions. When lack of self-discipline is displayed by high officials it demoralizes all beneath them, even down to the coolie who keeps the door, and, like acid, it corrodes the very fiber of nationhood.

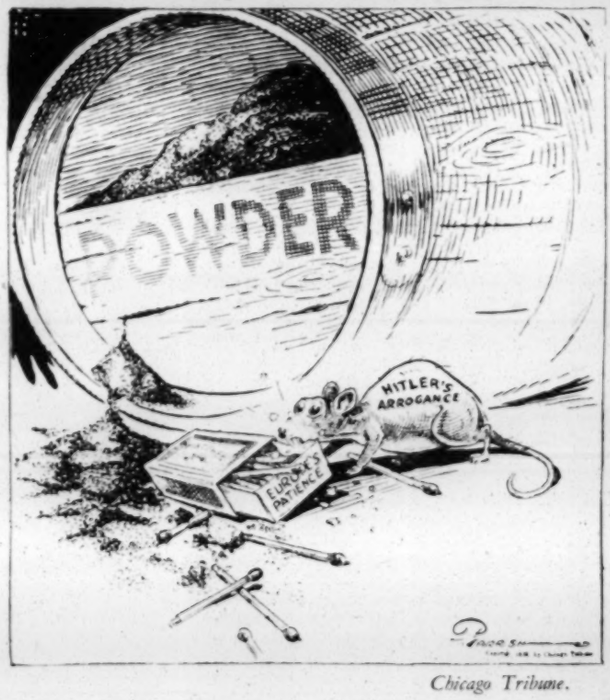
Evasion of responsibility—still another sin—is a contemptible evil in anyone. In officials it is comparable to crime. It is equivalent to, in the colloquialism of the day, "passing the buck." It used to be almost a national pastime in the old days of the Mandarins. High officials then dodged responsibility with a degree of mental and physical nimbleness that is only equalled by the "no b'long my pidgin" of the house servants—a song that is very familiar to the ears of foreigners resident in China, and, at the same time, aggravatingly incomprehensible to them. It may be due, in some cases, to "face," but mostly it is the product of ignorance, incompetency and lack of character, or the manifestation of a will for downright obstruction. Its effects are far-reaching in their injuriousness. It has produced stagnation of all kinds in all directions—particularly economic.

Dodging of responsibility in the past has delayed beyond reckoning the development of natural resources—especially minerals. It prevented the materialization of industrial and transportation schemes, and caused the shelving of scores of advantageous cultural and other proposals for the improvement of the moral, mental and material conditions of the people Where there has been confusion it has made it worse confounded. The shirkers of responsibility are, in reality, those upon whom will rightly fall most of the blame for China's backwardness which posterity will surely apportion when it writes the history of our current time. That would be a measure of retributive justice; but the pity of it would be that such punishment would be merely historical and not retroactive.

Those who avoid responsibility are the ones who have cluttered our official life with the deadwood I mentioned in the previous article—human unproductive deadwood which encumbers the pay-roll of almost every department of public service. Those who so casually abandon their duties to their country have created a strata of prideless persons that might well be called the Grand Army of the Paid Unemployable. The rank-and-file of this army are too incompetent to work—and their superiors were too spineless or too conscienceless to dismiss them—but they are not too proud to collect their unearned pay. Millions of dollars of the taxpayers' money are thus continuously flooding down the drains of absolute waste. It is all money that could well be used to employ competent persons in a thousand places where technical and other knowledge would make for our advancement.

Then there is the sin of defeatism, as expressed in that lugubrious phrase "Mu-yu-fa-tze." What does it mean? It is any excuse that will permit the irresponsible, the indifferent, the lazy, the incompetent and the cowardly to escape the trouble or the accountability which would be involved in doing something new or something important. It is the word that Napoleon declared was not in his dictionary. It is the lever the Manchu officials used whenever they wanted to oust from their sight progressive and enterprising people with ideas, the acceptance of which would encroach too closely upon their cushioned ease or erupt them out of it. It means "impossible," "there are no means," or, in the pidgin English of the scullery, "no can do." Its echo was wont to reverberate through all the yamens of former periods. It has come—to our shame—ringing with undiminished resonance down the corridors of time to these parlous days—days that I hope the near future will see being used for our emancipation from crowds of stifling inexcusable evils, and so shield us from those potent and damaging "slings and arrows of outrageous fortune" which are the bogies of the unknown days ahead. The man with the glib "Mu-yu-fa-tze" is, in short, a living menace to our land; the personification of indecision and do-nothingness.

Something Else That's Deadly!



Chicago Tribune.

An Inherited Curse

Close upon his heels comes another curse—"Cha-pu-tu." It also has been inherited by us. Ever it is on the lips of the casual-minded, the slipshod, and the lazy. It spells inaccuracy—another sin. "That will do;" "Oh, well, it is almost right;" "That's good enough;" "Never mind", will define it. It is the most used phrase in the vocabulary of the inefficient. It is foremost in the phraseology of the time-server and the sloven. It signals danger in the machine shop where accuracy is almost an art in modern machine-making; it sounds the knell of reliability wherever it is tolerated. Its effects are seen among other things, in the loss of our silk and tea trades, where samples were not lived up to, where care of crops and cargoes was neglected. Can you not hear the silk reeler say: "There are some diseased cocoons here;" hear "Cha-pu-tu" come from the lips of the one responsible; and, from the far, far distance of a foreign land, hear "this silk is streaky and inferior, we must not buy any more"? That's what "Cha-pu-tu" does to us—and it does

it with sickening thuds in a variety of directions.

On top of this list of sins there are others. There are envy, and jealousy, and intolerance—common enough, be it said, the world around—but which operate constantly, through the medium of inefficiency, to our national detriment. There is penny-wise-and-pound-foolishness; there is mental and moral obliquity in some in selecting purchases for national needs, and there is that iniquitous folly—forgetfulness of orders, or slackness in carrying them out. Worse, probably, is the failure of those who issue orders to find out if they have been obeyed, and their laxity in not levying penalties upon delinquents. The way of the transgressor is proverbially hard, but in our country it seems to be softened with the carpets of connivance.

Where foreign relations are concerned—and jeopardized—there are two important failings. One is the stupidity of appointing a layman to negotiate a technical contract, and the other is the folly of using persons deficient in languages and knowledge as translators or interpreters. Very little imagination is necessary to picture the type of irreparable misunderstanding and costly failure which arise from faulty acquaintance with words and their meanings, and from unfamiliarity with the nuances of speech. Incredibly fatuous and grave errors have been committed to my own knowledge, and I have heard strings of stories of unbelievable stupidity on the part of supposedly qualified interpreters which would have been grotesquely comic had they not been gravely tragic.

Language Ignorance

If the causes of past break-downs and unfriendliness in negotiations with foreign interests on economic projects could be traced, I am convinced that they would be found to have been due mostly to gross and inexcusable ignorance on the part of translators of foreign languages. This fruitful source of difficulty and totally unnecessary estrangements is one that merits serious consideration whenever important negotiations are to be entered upon.

Only persons fully acquainted with technical terminology should be entrusted with the task of interpretation or translation when financial, economic, or industrial projects are being discussed or negotiated. What we have hitherto lost by reason of inaccurate interpretation or translation is impossible to compute, but there is no reason why we should lose anything more or allow further unpleasantness or misunderstanding to be engendered in the course of negotiations connected with projects or problems from the successful outcome of which the country is expected to benefit. Those responsible for such negotiations should possess the highest of qualifications, the most flexible of intelligences, the best of characters, the most understanding of hearts, and the soundest of imaginations. Their instructions, before entering upon negotiations, should be designed to secure the successful conclusion of mutually satisfactory agreements—I underline mutually—and, if failure results, require the production of sound and legitimate reasons for inability to arrive at a satisfactory conclusion. Punishment of some kind should follow inability to show reasonable cause for failure of negotiations. Hitherto efforts to arrive at agreements have collapsed because the negotiators sought commissions in vain. That is a stigma we should be quick to remove and eager to prevent in the future.

If the variety of sins and bad habits and customs which I have been exposing are to be absolved, cured, or changed, then the decision to inaugurate a civil service which the People's Political Council so recently agreed upon must be translated from ideas into deeds as quickly as possible. In the meantime, all those guilty of evasion of responsibility, of subordination of national affairs to personal interests, or of neglect of duty, should be branded "traitor" so that all who see them may know them for just what they are.

The shortcomings I have mentioned combine to cause the stagnation in which we have so long been floundering and from which we now see, I hope, the means of escape, and from which, with resolute courage, we can and must escape. These evils can be cured because we know what we have to cure; and we will cure them in time because patriotism and pride will, inevitably, impel even the weak and the negligent to respond to the spiritual and material stimulation embodied in the word RESURGAM—" I shall rise again."

Calder-Marshall Hits Nipponese Practices

Vigorous condemnation of Japan's oppressive measures against foreign trading interests in the occupied areas of China was voiced Apr. 13 by Sir Robert Calder-Marshall, chairman, at the annual meeting of the British Chamber of Commerce in Shanghai. The speaker declared that "neither 'military necessity' nor solicitude for the welfare of foreign shipping can now be accepted as valid reasons for the complete closure of the Yangtsze to foreign merchant vessels."

Referring to the discriminatory regulations now being enforced in Tsingtao and, in part, along the Yangtsze, Sir Robert said that while interested governments have made representations on the subject, "the Japanese do not appear so far to realize their obligations to third power nationals."

While trade with ports on the Yangtsze Delta had been carried on regularly by British ships, the Japanese have lately been endeavoring to divert trade from British shipping in that area by "measures not usually adopted in commerce," the chairman continued.

Turning to another aspect of the Japanese occupation, Sir Robert said: "Japan states that she is anxious to encourage the rehabilitation of invaded areas; on the other hand, she refuses to restore privately-owned industrial plants to their rightful owners."

Chinese reports have stated that a branch office of the Anti-British League recently launched by the "Reformed Government" in Nanking was established in Pootung (Shanghai) on Tuesday of last week, with Mayor Fu Siao-en as "honorary" chairman of the local organization. The Shanghai office is said to have opened a membership campaign and to be planning to open offices in all the occupied areas in and around the city.

It is believed that the primary aim of the organization is the sponsorship of a campaign intended to bring about a boycott of British goods and to promote the sale of Japanese goods.

Soviet Official Leaves For Moscow on Vacation

After a continuous sojourn of nine years in the Far East, I. Spilwanek, counsellor of the Soviet Embassy in China and concurrently Consul-General in Shanghai, was on his way to Moscow via Japan this week, on home leave. Mr. Spilwanek, who was stationed in Peiping for 18 months before coming to Shanghai recently, expects to return here in the fall.

Guns Roar As Saito Remains Reach Japan

Naval guns roared at Yokohama on Apr. 17 as two nations joined in tribute to the late Hirosi Saito, former Japanese Ambassador to the United States, whose ashes were brought to Japan in the *U.S.S. Astoria*. Twenty-nine days after leaving Annapolis, the American cruiser, flying the Japanese naval ensign on its main mast, steamed into Yokohama harbor. Escorting it were the Japanese destroyers *Hibiki*, *Akatsuki* and *Sagiri*, under the command of Capt. Kazutaka Niimi, who was aboard the *Hibiki*.

As the *Astoria* steamed through the breakwater, the crew of *H.I.J.M.S. Kiso* manned the vessel in salute and the *Astoria* began firing a 21-gun salute, which was returned by the *Kiso*. As the American warship tied up at a buoy, the "Stars and Stripes" were lowered to half mast. With this as a signal, all shipping in the harbor lowered their colors.

Appreciation of the courtesy extended to the late Mr. Saito was expressed in a cablegram from His Majesty the Emperor to President Franklin D. Roosevelt. The cable was sent coincident with the arrival in Yokohama of the American cruiser.

Bridge Sentry Slaps Nippon Wife of Briton

Because she revealed that she was married to a Briton, Mrs. A. C. Davis claims she was slapped and ill-treated by a Japanese Consular Police sentry on the Garden Bridge shortly after 10.30 a.m. last Monday. Born Towa Atsumi, Mrs. Davis is the wife of Mr. Albert C. Davis, British managing-director of the Health-Rays, Limited, 770 Bubbling Road. She has been married to her husband for 30 years, and, according to Mr. Davis, is a full-fledged British subject. She is claiming $95,000 damages from the Japanese authorities as compensation for medical expenses and mental anguish.

Passing the sentry, one of whom was a member of the Japanese Consular Police, she bowed her head. According to her, the sentry did not seem to think that she bowed low enough, and pulled her aside. He pulled her into the bridge hut and demanded to know who she was. Replying in Japanese, she said that she was a Mrs. A. C. Davis, a British subject.

"You are Japanese," the sentry is alleged to have asked, "why have you become a British subject?"

When she, in turn, asked if there was anything wrong, the sentry slapped her on the cheek and shouted, "You think you are superior to the Japanese? Marriage to an Englishman doesn't make you God!"

She was subsequently released, but would not leave, demanding the name of the officer who had allegedly mistreated her. The gendarme gave her a card, bearing his name, Takahashi, and indicating his connection with the Japanese Consular Police.

7,000 Workers Struck In Shanghai Last Year

According to statistics released by the China Branch of the International Labor Office, 28 strikes were reported in 1938 in Shanghai with a total loss of 30,669 working days. About 7,000 workers were reported to have participated in these strikes. Of the 28 strikes, 21 occurred in factories located in the International Settlement of Shanghai, four in the French Concession and three in the districts surrounding the foreign concessions.

China's Cotton Industry Since the Hostilities

(By a Chinese Correspondent)

THE extent of loss and damage suffered by Chinese textile mills, especially cotton mills, as a result of the Sino-Japanese hostilities is appalling when detailed figures are revealed. The suspension of work and the destruction of mill properties enormously affect the welfare and prosperity of both capitalists and workers, for the cotton mill industry is a most important industry in China, employing more labor and capital than any other single industry. Various organizations, mill managements, foreign agencies and trustees have conducted investigations into the actual conditions now existing in or as regards these mills over a wide area, and the information thus obtained is believed very reliable.

In many instances the actual conditions are almost impossible to ascertain, owing to the fact that the Japanese are now using some of the mill premises as their military hospitals and headquarters, permitting no persons other than Japanese to enter. As a result, in spite of strenuous efforts having been directed toward the investigation of the actual conditions, only the rough extent of damage to buildings has been estimated, while as regards the machinery therein, it has been very difficult to ascertain whether it was partly destroyed or totally destroyed during the hostilities, whether it is still in good condition, or whether it has been removed by the Japanese. Various sources indicate that the Japanese have removed some British and American-made machinery as well as motors from the premises of many Chinese cotton mills located in the occupied area of Shanghai and have installed it in the Japanese mills in Tsingtao, which were totally destroyed during the hostilities.

Present Mill Situation

Classified according to detailed conditions resulting from the hostilities, the Chinese mills may now be divided into the following groups:

1. Those which were forcibly taken over by the Japanese military and are now being run by them for their own interests: Under this heading come 26 mills which have 681,960 spindles, 42,952 doublers and 6,244 looms.

Practically all the cotton mills in Shantung, Shansi and Honan were taken over and are now manufacturing army uniforms or are being used as military machine and repair shops. In these confiscated plants only Chinese coolies and common workers are employed. Some Chinese mills which were managed by Germans, who acted as trustees, were also taken over. For instance, the Dah Sung Cotton Mills Nos. 1, 3 and 8, which were under the management of A.E.G. China Electric, a German firm, were forcibly taken over on March 3 this year. At present these mills are not in operation. The German Embassy has conducted negotiations with the Japanese, but so far no result is in sight. Roughly speaking, the Japanese have forcibly taken over about 25 per cent in total spindlage of Chinese-owned mills.

2. Mills partly or badly damaged and now under repair or reconstruction by the Japanese: Under this heading come 16 mills with 539,308 spindles, 20,400 doublers and 8,007 looms.

Most mills under this group are located in Kiangsu province, outside of the Shanghai Settlement area. Practically all the Chinese mills in Wusih and Changchow come under this group.

The Occupied Mills

3. Mills being occupied by the Japanese as military hospitals and headquarters: Of these there are five mills with 276,830 spindles, 44,266 doublers and 2,115 looms.

Most mills under this group are located in and around Shanghai. Wing On Textile Manufacturing Mills, Nos. 1, 2 and 3, etc. area being occupied and no persons of any nationality are permitted to enter the premises.

4. Mills located in the Settlement area of Shanghai and in areas where no actual fighting has taken place and which have been working as usual: Of these there are 15 mills with 437,562 spindles, 34,898 doublers and 2,610 looms.

Most mills under this group are located in the heart of the International Settlement of Shanghai, in Shensi and Yunnan provinces, and have been making an unusual profit since the outbreak of the hostilities.

Sign of the Goat!

The above is a reproduction of a curious stamp or "chop" which travelers, Chinese or foreign, are expected to obtain on their passes when leaving the train at stations along the Tsingtao-Tsinan, Tientsin-Pukow and Lung-Hai Railways within the Japanese-occupied zones in North China. The inscription on this particular stamp reads, "Lincheng Station, 28th Year of the Republic, March 21." Tables bearing these stamps are to be found on the station platforms. In some places they contain a sign, "Get a Souvenir of Travel." A recent traveler over the Tientsin-Pukow line in Shantung sent one of the stamps to *The Review*, but failed to explain the significance of the use of the face of the goat.

5. Mills being managed by the Japanese nominally under the so-called Sino-Japanese Cooperation plan, that is, 51 per cent of the net profit goes to the Japanese and 49 per cent to the Chinese: There are five such mills (including one large dyeing and finishing plant), with 42,328 spindles, 7,980 doublers and 1,500 looms.

The managements of the above mills have been on good terms with the Japanese and some secret arrangements have been made. Three of these are located in Shanghai, one in Wuhu (Anhwei) and one in Tangshan (Hopei).

6. Mills which have removed part or all of their machinery to interior cities, such as Chungking (Szechwan), Sian (Shensi), or to International Settlement, Shanghai, etc: Of these there are 11 mills, with 315,162 spindles, 5,600 doublers and 2,293 looms.

Most of these transferred mills have changed their names and many of them either have registered as foreign concerns or are being managed by the Bank of China.

7. The machinery of Hankow Mill No. 1 comprising 88,160 spindles and 648 looms was packed and is now being stored in foreign godowns in Hankow, the mill being under the trusteeship of the Arnhold Trading Company, a British firm.

8. Mills located in less favored centers in the Japanese-occupied area are not working at present, the reasons being frequent attacks of Chinese mobile units or difficult transportation and communications. Under this heading are eight mills, with 172,044 spindles, 8,400 doublers and 920 looms.

Guerrillas a Factor

Heng Dah Cotton Mill in Pootung, Shanghai is not working at present, due to the activities of Chinese mobile units, and other mills in the suburbs of Shanghai are not operating for the same reason.

9. Mills which suspended operations during the hostilities but have resumed working since last year: Zoong Sing, registered as a British concern, is located in Chapei, suburb of Shanghai. Ewo Mills, a British concern, is located in the Yangtszepoo area of Shanghai.

10. The machinery of the following mills is said to have been removed from the premises by the Japanese: Heng Foong Cotton Manufacturing Co., Yangtszepoo, Shanghai; Sung Sing Cotton Mill No. 7, registered as a British concern, Yangtszepoo, Shanghai; Dah Wha Dyeing & Finishing Company, Yangtszepoo, Shanghai; Chun Tah Cotton Mill, registered as a British concern, Chapei, Shanghai.

11. The following is a list of new mills opened in Shanghai since the hostilities: The Oriental Textile Mfg. Co. (Registered as British), 15,000 spindles; China Textile Mfg. Co. (Registered as British), 26,000 spindles, 300 looms; China Spinners, now called China Cotton Mills, Ltd. (Registered as British), 15,000 spindles; China Cotton Mfg. Co. (Registered as U.S.A. Co.), 26,000 spindles; Tuck Foong Textile Mfg. Co. (Registered as U.S.A. Co.), 10,340 spindles, 128 looms; Yung Foong Cotton Mill, 10,000 spindles; Hop Foong Spinning & Weaving Co., Ltd., 5,000 spindles, 150 looms; Sing Sung Cotton Mill, 10,360 spindles; Shao Shing Cotton Mill, 8,400 spindles; China Dyeing and Finishing Works; China Wool Co. Ltd., 4,000 worsted spindles, 100 looms.

The machinery for the above mills either was removed from interior cities, such as Wusih, Kiangsu province, etc. during the hostilities, or was transferred from orders by other mills located in the war zone and since then arrived.

After the withdrawal of Chinese troops from the vicinity of Shanghai in the latter part of 1937, however, numerous new mills, particularly the weaving and spinning mills, have been built in the Settlement area of Shanghai because of the following reasons:

(a) The presence of large sums of idle capital in Shanghai.

(b) The high prices of products.

(c) The removal of machinery from the vicinity of Shanghai during the hostilities.

Believing that nothing would happen in the Settlement area of Shanghai at least for some time, these capitalists have started to build mills with the hope of making sufficient profit to cover all the investments in a short time. As a result, none of these new mills are well-built and little has been done to place the business on a permanent basis. Notwithstanding the destructive war

(Continued on page 247)

Missing Junk Adventurer Records His Last Impressions of Shanghai

BY RICHARD HALLIBURTON

(*Kansas City Star, Jan. 19, 1939*)

I'VE come to Shanghai, still looking for a sea-going Chinese junk in which I can cross the Pacific to San Francisco. In pre-war days Shanghai was headquarters for thousanss of junks—all shapes, sizes and colors. The river junks came down the Yangtsze bringing countless tons of cargo to China's greatest metropolis, and there the sea junks waited, to distribute this cargo to the coastal cities. Before Japan's army arrived, Shanghai was the fifth port of the world, New York, London, Liverpool, Hamburg, being the only ports greater. From Shanghai's 10,000 junks, surely—so it seemed to me—I could find just what I wanted.

But I've spent two full days exploring the river-harbor, and I haven't come upon a single junk worth considering. Ninety per cent of the ships (and all the good ones) that used to call Shanghai home have fled, or been sunk, or commandeered by the Japanese. Those remaining are mostly derelicts which will never again put out to sea. So, before long, I must continue my quest down the Chinese coast, perhaps in Foochow, or in Hong Kong.

In the Embattled City

But having reached this city, this bombed and burned and embattled city, I'm by no means so occupied with junks that I've failed to notice the state of affairs here.

Shanghai was never beautiful. As commerical as Chicago, and showing the the same signs of rapid growth, it spreads over a plain as flat as the Illinois prairie. Not a single hill gives it distinction. Scarcely a tree ever graced its teeming streets. In the commercial center, tall buildings house the trade of every nation on earth —and most of these buildings are ugly. In the small shopping centers and the residential sections, the buildings are less tall, but no less ugly. The Whangpoo River and Soochow Creek—two copies, large and small, of the Chicago drainage canal —twist through the city, and do not help the scenery.

Some time before the present war, the Chinese authorities of Shanghai decided it was time to do something about all this drabness. Their methods were less drastic than Japan's. They selected a site four miles from the business section, in the open fields, at the end of a fine new road, and began a civic center. Superb modern buildings rose there styled after China's historic architecture; and Shanghai —as a truly national Chinese city, yet still working in harmony with the Foreign Settlements—was about to come of age.

Symbol of New China Razed

Yesterday I saw this civic center which once offered so much promise. Alas, the sweeping steps, shining white walls and massive tile roofs of this group of buildings made perfect targets for the Japanese guns. The Japanese realized that these particular structures, so new and strongly built, symbolized the progressive modern spirit of China, symbolized the national order and partriotism to which China aspired. And Japan knew that this spirit, this pride, must be crushed if China were to be defeated. And so every form of destruction was hurled at the symbol. The civic center was pounded unmercifully —but it did not collapse. Though sadly battered, it still stands.

To reach this part of Shanghai, my guide (a resident American friend) drove me through barbed wire barriers into the Japanese-controlled areas. At every turning he had to show his permits to arrogant Japanese guards, and had to bully or cozen them into letting us pass, for suspicion of inquisitive foreigners is their guiding rule. Frequently we detoured to avoid chasms which land mines had left in the pavement, or crossed streams by temporary bridges that replaced blasted structures. At first our route lay along the bank of Soochow Creek, east of which everything fell to the invaders after terrific fighting. When the Chinese troops made their last desperate stand here and lost, the creek was dammed up by the bodies of fleeing soldiers and civilians. They never reached the farther bank, but were drowned, or shot by machine guns while they swam. Had they been able to struggle another ten yards—to the safety of the International Settlement—thousands would have lived.

Beyond the creek, we wandered through street after street of what used to be Chapei. I remembered this (from a previous visit) as a crowded quarter of homes and little workshops, swarming with that confusion of coolies and babies, merchants and marketing housewives, which is so typically—and so noisly —Chinese. Now, what stillness . . . Gone was the bustling disorder of a half-million humans running the errands of ordinary life. Everything was very neat. Indeed, I cannot imagine modern ruins anywhere looking tidier. The debris of fallen buildings had been shoveled out of the streets. There were no bodies lying about. Nothing still burned; gone were the smoke, the stench, the poison gas; no danger lurked in any form. More than seventeen months had elapsed since the Japanese "saved" Chapei from its Chinese defenders, and all was peaceful, as the dead are peaceful.

Save for Japanese soldiers, the entire section was almost deserted. Here and there an occasional Chinese woman or child moved slowly at work, clearing up some forgotten corner of the ruins. There was no other life.

What Two Years Have Wrought

On the outskirts of Chapei is a wilderness, overgrown with weeds. "Would you like to see the house where my wife and I were living when the Japanese arrived?" asked my young American. This wilderness, he explained, had attracted him by its semi-rural beauty two years ago. Mulberry trees and rice paddies, lotus ponds and orchards—now nothing but thistles and weeds, with a few mounds of bricks to show where houses had stood. I found it hard to visualize the landscape as a pleasant vista of well tended farmlands. "Yet it was just that, only two years ago," insisted my friend. "And now—here's my house."

Not a human in sight. We entered a broken gate. The flower garden still struggled up through choking grass. The house itself was a heap of charred timbers. Where any small section of the wall remained standing, it was sieved with shell holes. The lawn was pitted with bomb craters.

I asked what strategic value this dwelling had, to be leveled so. None in particular, was the answer; but the Chinese troops, grimly retreating, took their stand wherever they could find shelter, so the invading Japanese spared nothing.

Chapei and the country thereabouts offer endless, heart-breaking testimony to the fury with which Japan meets resistance, and to China's high courage in resisting. The university, caught between two fires, is gone. The finest library in China has been shelled, sacked and destroyed. The new concrete grandstands at the racetrack are a tangle of wreckage. As for the people, they were literally exterminated. Some lie beneath the debris of their homes. But mostly they are buried in huge pits, hundreds together, without any mark. There are no gravestones. The stillness of death prevails, but death itself seems strangely absent. Death merely came this way, and went on again, and nothing has come since to take its place. Nothing except the Japanese sentries, lolling in groups at the barriers, holding their rifles slackly in their hands, and chattering about new triumphs in Hankow and Canton.

There are no passport formalities in Shanghai. I merely stepped ashore in the Hongkew section, controlled by Japan, and crossed the famous Garden bridge into the International Settlement. Crossing this bridge was like going from a ghost city into the living world. In the conquered part were deserted streets and shuttered shops. Beyond the bridge were crowds of people, and free-moving traffic. On the Japanese side is the dummy "New China," on the other side, all that is left

Halliburton Junk Still On List of Missing Ships

The "Sea Dragon," ocean-going junk on which the author of this article was attempting to cross the Pacific from Hongkong to the United States, is still missing. In response to a request for assistance in searching for the missing adventurer, the U.S. Coast Guard Service has announced that this will be left to the discretion of the Coast Guard in Hawaii, which, however, is not expected to be able to do much searching for Mr. Halliburton, whose last radio message was sent out from a point near Midway Island about four weeks ago during a severe storm.

Mr. Halliburton wrote the accompanying article while he was in Shanghai last December. His account of the "Blood Alley" brawl is inaccurate in that it mentions the New Ritz Bar, instead of the 'Frisco Cabaret, as the scene of the affray between French and Italian sailors. Nor did it take "nearly all the police in Shanghai" to quell the riot. It is likewise untrue that "Blood Alley" bar and cabaret proprietors never expect patrons to pay cash and that waiters "are quite upset if you offer to settle your bill on the spot" —those halcyon days are gone forever. Apart from these and a few other minor inaccuracies, Mr. Halliburton's impressions of Shanghai are fairly sound and interestingly recorded.

of real China in Shanghai, huddling for protection in the settlements of the powers which are more foreign than Japan, but apparently preferable.

Though the Japanese think it discreet not to cross Garden bridge (they can see the American, British and French cruisers looming in the harbor), they control its traffic. They permit no street cars to pass, nor even rickshas. One takes a ricksha as far as the bridgehead, dismisses it, walks to the other side, and hires a second ricksha. The sidewalks are a tangle of barbed wire; only the middle of the roadway is open, and that only at the pleasure of the armed Japanese guards.

Japanese Army Etiquette

When the Japanese army first stationed its sentries here, it took pains to settle every question of etiquette which might arise. By the thousand, handbills were distributed, telling in Emily-Postish detail how to avoid crudeness in meeting the emperor's men. "Remove your hat, hold it in your hand, smile cheerfully, bow, say good morning pleasantly, and present your pass. When it has been accepted, thank the sentry, and cross the bridge at a seemly gait."

The Americans and English, at first outraged and then wryly amused by such instructions, decided from the beginning to ignore the sentries. Over the bridge we stroll casually, scarcely glancing at the guards, pretending they aren't even there; and not troubling to halt even if they challenge us. There is only one phrase to express their resentment at our lack of manners: it burns them up.

But the poor Chinese, whom one might suppose to have the only real right to be there at all, fare very poorly on the bridge. The Japanese won't let them forget a line of that leaflet on etiquette. If they don't smile convincingly enough or bow low enough, they aren't allowed to cross. Sometimes a Chinaman's pride overpowers his common sense, and he reveals the rancor he feels. In a trice, the nimble Japanese have tied him to a near-by lamp-post and slapped him into the proper frame of mind, or gently reminded him of his manners by prodding him with a bayonet. There's nothing like a bayonet for driving home a point! Chinese women get the same treatment.

A pace beyond the International end of Garden Bridge begins the Shanghai of trade and intrigue, of shipping and sin; of East meeting West at the lowest common denominator, which is the joy of adventure writers and the despair of missionaries. The crisis seems only to have added to the garish pleasures of the city. These are, if anything, more bumptious than ever. The war, by narrowing the circle of resorts —shelling a race track here, bombing a golf course there, billeting troops in all Hongkew's better night clubs—has intensified the gayety of the settlements to fever pitch. Intensified, but not refined. In this respect, International Shanghai remains, despite the death and devastation all around it, what it has long been called —the paradise of adventurers.

Haven of World's Riffraff

Because it lacks the protection of passport barriers, Shanghai is the haven for a good part of the world's riffraff. Wanderers without any nationality flock here when no other place will have them. Some are outright criminals, fugitives from justice, to whom Shanghai's peculiar laws extend immunity. A greater number are better called fugitives from injustice—like the White Russians and the new Jewish immigrants. No quota restrictions close the door against them. One ought not to inquire how these exiles manage to live; mysteriously and deviously, they do exist. There is little work to be found, and charity cannot feed them. Yet they continue to flock here, and here they remain—Chinese, Jewish, Russian, what not; and Shanghai becomes more and more the metropolis of the lost.

Already the White Russian colony is producing its third generation of "refugees," many of whom have never been outside Shanghai! At one night club celebrated for its Russian hostesses, a lissome young thing of 17 told me the whole tragic story of her flight from the Bolshevik revolution —which, according to duller histories, occurred three years before she was born! One meets many such professional, hereditary refugees. I can easily imagine the latest crop of Russian moppets, still dandling on their parents' knees, demanding in childish trebles, "Little papa, tell me again how I escaped assassination in my palace, and how I fled across Siberia, facing every hardship with courage."

It becomes, in the telling of the tall blond dance-hall hostesses, a tale of epic beauty—but an expensive one. Every *verst* of the flight adds another Shanghai dollar to your bill. A Shanghai dollar isn't much; however, Siberia is a rather wide country. By the time you have your heroine safely embarked at Vladivostok, she has you by the wallet. And this is for simply sitting down, sipping a drink, and listening. If the customer is rash enough to dance with one of the distressed maidens while she tells her tale, he has scarcely waltzed her out of Petrograd before the management presents a bill which looks like a pawn ticket for the imperial crown jewels. Scheherazade, who lived from night to night by spinning yarns, had nothing on Shanghai's slim Sonias.

More than most cities, Shanghai offers amusement on every social level, from top to bottom—broadening considerably toward the bottom. The city fathers ignore the worst places, or deny that they exist; but one section is so *very* notorious that it fills the citizens with a sort of shame-faced pride. This is the block-long street famed over the world as Blood Alley. Even the police have forgotten its Chinese name. The customers never knew it. On gala nights you can *hear* Blood Alley two blocks away.

The bars that line this rowdy street are patronized mostly by soldiers and sailors American, French, British and whatever other nations happen to have army or navy forces in town. They all have the same "tomorrow we die" manner of amusing themselves. And in Shanghai there is nothing to limit the fun, for rarely, at any bar or restaurant, is there any question of any one paying cash—just sign the "chit" and settle at the end of the month. No proprietor expects cash. The waiters are quite upset if you offer to settle your bill on the spot.

Memorable Hour in the Alley

One of the liveliest hours in Blood Alley's history struck just recently. A group of French soldiers and American marines were gathered at the New Ritz, the fanciest of the alley's bars, industriously signing chit after chit, when in swaggered a contingent of Italian sailors. Nobody loves the Italians very much just now in Shanghai—nobody except the Japanese on the other side of the Garden Bridge. So they feel pretty lonesome, and when it rankles too much, they are likely to become pugnacious about their social ostracism.

They got pugnacious on this famous night. It began when one of Mussolini's men insulted a French soldier, who, since Blood Alley is in the French concession, properly felt he was being attacked on home grounds. He resented the slur on the valor of la belle France. Then two more Italians added postscripts to the insult, and three more Frenchmen resented it. When fists began to fly, the Americans decided it was time to pay our debt to Lafayette again. Soon tables and chairs were sailing through the cigarette haze, windows were crashing, the tawdry decorations were being torn to ribbons.

One of the ugliest of weapons is the heavy brass buckle on the end of a whirling military belt, and by now the belts were whirling in fine style. A rescue party of Italian reenforcements roared up in a truck. The French sent out an appeal for more Americans. And gobs and leathernecks, all yelling "Save France," responded from every neighboring barroom. The war was on in earnest—with America in for the duration!

It took nearly all the police in Shanghai to quell the riot.

Foreigners Said Fearful

Here in Shanghai the foreign residents are fearful about the future of the city, now that the Japanese are more or less in control. The Whangpoo River, by means of which ships reach the harbor, must be constantly dredged to keep it from silting up. But this dredging is being prevented by the Japanese. Before long the river will be so shallow that foreign vessels may be unable to reach the port. Japan, in this way, seems to be attempting to strangle International Shanghai. At the same time her own shipping interests dream of building a new harbor lower down the river which will leave the old port to die of commercial starvation, and allow the new Japanese port to take over the prosperity once enjoyed by the western powers.

England, France and America, all three of which have enormous stakes here, methodically send notes to Japan protesting against this strangulation policy. But Japan has learned that there is no force behind the protests, and proceeds, just as methodically, to ignore these wails from the West.

So I'm going to take a good look *now* at what's left of this beleaguered city. It may be just a city in history when I return.

Terrorists Kill Three In Shanghai Shooting

Three men were killed and a man and a woman wounded when terrorism again broke loose in Shanghai shortly after dark on April 17. One of the dead men was a minor puppet official while another was the head of the sales department of the American-owned newspaper, *Ta Mei Pao*. The third on the dead list and the wounded man and woman were victims of stray bullets which were fired at the newspaper sales agent.

Deep mystery shrouded the killing of the puppet official in an alley off Rue Wagner. Knife wounds in the left eye and the chest resulted in the victim's death. Indicative that the killing was a part of a well-planned plot, a printed statement was found near the dead man's body by detectives. It revealed that the deceased was one Wang Hsien-ming, a section chief of the puppet "Shanghai City Government" and bore the seal of "The Traitor Extinction Corps of the Chinese Youths."

The second victim of the day was Chao Kuo-tung who was connected with the sales department of the *Ta Mei Pao* and *Ta Mei Wan Pao*, Chinese editions of the *Evening Post and Mercury*.

Chao was returning to his home at 104 Chwang Yuen Li in his private ricsha when the killing occurred. Three or four assailants were reported to have fired several shots at the victim.

One of the stray bullets killed a ricsha puller who happened to be in the neighborhood while others strack two pedestrians, a man and a woman, wounding them slightly. Associates connected with the deceased indicated that revenge might have been the motive of the killing.

Kuling Captured As Japanese Claim Chinese Counter-Offensive Stopped

Kuling, famous summer resort on Lushan mountain south of Kiukiang in northern Kiangsi, was captured by Japanese troops on the morning of Apr. 18 as the culmination of what *Domei* described as "a 28-hour lightning attack." It was claimed that the Japanese advance was so swift that the Chinese forces were unable to apply their "scorched earth" policy to the resort. The Chinese defenders, who had held out against Japanese attacks for six months, were "annihilated," according to an announcement by the Japanese military.

This version was contradicted by Dr. H. G. Barrie, a British physician in Kuling, who—again according to *Domei*—said that the Chinese troops (numbering 2,500 men under the command of 32-year-old Maj.-Gen. Yang Yu-chun) withdrew one hour before the arrival of the Japanese attackers and apparently succeeded in slipping through the Japanese lines by way of the numerous passes and gulleys in the area.

All of the 76 foreigners in Kuling, *Domei* reported, were found to be safe and uninjured. The foreign colony comprised 40 Britons, 28 Americans, two Germans and six Swiss nationals, the agency said.

Offensive Said Stopped

A Japanese military expert in Tokyo, quoted by *Domei* on Apr. 15, claimed that Gen. Chiang Kai-shek's widely-heralded April counter-offensive, for which all fronts had reportedly been prepared, had been converted into a defensive action by the "guerrilla-crushing operations" of the Japanese forces.

"It seems that at the beginning of February of this year Soviet military advisers at Chungking advised Gen. Chiang Kai-shek to start offensive tactics along every front," the military expert said. "Though the reasons for such advice have not become known it may have been thought that Japanese forces have concentrated their strength in Manchuria, causing a weakening in the China forces.

"Such reasoning may be attributed to one of three possible causes, though we cannot say which; first that renewed mopping-up operations in areas under Japanese occupation, following redistribution of troops to meet new situations, might have been misinterpreted as a removal of troops to Manchuria.

"Another reason might have been that Soviet advisers feared a reinforcement of Japanese troops in Manchuria and so resorted to a cunning plan to keep the Japanese military strength at the fronts in China. Thirdly, their advice might have been a means of strengthening Soviet influence in the Far East by stirring up fresh hostilities between the Japanese and Chinese forces so that damage might be suffered by both sides.

"Whichever it may be, as it was the Soviet Union which always is behind the designs and machinations that advocated such an offensive, it can safely be imagined that the Soviet instigated the operations for its own benefit.

"To such Soviet advice all Chinese military leaders expressed their opposition by saying 'that it would be like throwing eggs against an iron plate' for the Chinese forces to take offensive action against the Japanese. This opinion was expressed by military leaders with the exception of Chou En-lai, leader of the Chinese Communist Party, who insisted that as Japanese forces had already suffered pretty heavy damage it would be possible to recover the most important cities by sectional offensive operations, even if it would be difficult, all at once, to turn defeats into victories by a wholesale offensive," the expert said.

Assault on Kaifeng

Travelers arriving this week from the Kaifeng (Honan) region said that the Japanese were rushing in reinforcements on every train in anticipation of an intensified Chinese offensive in that area during the coming weeks. Chinese forces late last week staged an assault on Kaifeng with hand weapons, machine-guns and light artillery and apparently were repulsed only after severe fighting. The assault on Kaifeng coincided with the assassination of several high Chinese puppet officials within the city.

According to the Generalissimo's headquarters, 4,940 Japanese officers and soldiers were killed and 7,425 wounded in the 9th war zone (Hupeh, Hunan and Kiangsi) during the three-month period, January to March, 1939. In the same zone, it was claimed, Chinese forces captured 155 horses, four field guns, 294 machine-guns, 561 rifles, 14 pistols, 73 gas masks, 12 swords, and other booty.

From the commencement of hostilities up to the end of February this year, according to figures said compiled in Sian and brought here by *Kuo Min*, Japanese forces in North China, including Hopei, Charhar, Shansi and Suiyuan, suffered a total of 117,276 casualties, of whom 92,951 were killed in action.

FURTHER DOGMA

Faint breath of reaction
stirs over states
steeped
in abstract idealism
by journalists
who start out of binges
and scream for freedom;
democratic and sprawled
rich and disorganized
over floods and dust
and haggard men
and rickety children
and sensitivity, bound
in schemes and crafty deals.
Realize. . . . you who speak
of heights
and blunder into empty winds;
see the shadows
of bony women
thinly souled
and then beyond;
the fine full distances
of disciplined lands
and people fed,
clothed and controled
by systems
run like businesses
with offices and estimates.
A present tenet, those seven lines
Are they more real than any other?
Of course they are
for they are the substance
by which needs are met
the efficient necessity
of any project
governmental or private.

Refugee Hospital Reports On Activities in March

The American Hospital for Refugees (St. Luke's Hospital No. 2), in its monthly statistical report for March, states that it treated 632 free patients and filled 8,156 free prescriptions. The number of out-patient department visits totalled 10,811, while 10,197 out-patient department patrons paid only one cent each.

Of the 33,853 refugees under the supervision of the Refugee Health Service organized by the Chinese Medical Association Council of Public Health an average of about 14,000 receive health care of one kind or another during each month, according to a report issued by the Service recently. A total of 44 refugee camps are given medical aid by the organization.

Activities of the Public Health Nursing Service included, in February, health education to 5,100 persons, besides care to 182 persons, examination of 1,388 for cleanliness and undernourishment, administration of powdered milk and cod liver oil to 3,721 children, and assistance given to physicians in examining 3,140 persons for trachoma. Through the nursing service 77 patients were referred to the hospital and 12 refugees were trained as health attendants.

The Refugee Maternity Center cared for 54 new-born babies and made 320 home visits during the month. Nurses gave special attention to the health education of the mothers, and 76 individual and 46 group talks were given on the subject of general hygiene. Two health nurses and one clinical nurse continue to assist in the care of 3,728 students in five schools.

U. S. Post Office Helps

The above is a reproduction of an official U. S. Postage Stamp, which contains an appeal for the relief of Chinese war refugees. It appeared on a letter received in Shanghai last week and was was mailed in New York on Feb. 11. It probably was used in connection with a nation-wide campaign for China relief which is now being conducted by Protestant Churches throughout the United States.

Chinese Air Force Now Undergoing Reorganization

As the result of reorganization, the Chinese Air Force will soon have 500 airplanes for its first-line service, according to a *Kuo Min* report from Chungking. The present strength in first-line machines of the Air Force is estimated at about 300 airplanes, including 100 pursuit planes. Recently, 100 airplanes were acquired from Soviet Russia and are now stationed at Lanchow, provincial capital of Kansu.

A factory for assembling airplanes has been established in Yunnan, near the Burma border, by the Government in conjunction with certain American interests. Airplane repair shops have also been erected in Yunnan and Szechwan. While their exact location is kept secret, it is reported that one of the repair shops is established near Kunming (Yunnanfu), provincial capital of Yunnan, and the other near Chengtu, provincial capital of Szechwan. A new airplane factory has also been built at Nanchuan, south-western Szechwan. The factory is engaged in the production of airplane accessories.

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FOREIGN CORRESPONDENTS:

NEW YORK, LONDON, BERLIN, PARIS, GENEVA, OSAKA AND HONGKONG

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

April 1

Following occupation of Nanchang, Kiangsi capital, Japanese troops push west, instead of advancing to the south along Nanchang-Pinghsiang Railway towards Hunan as expected. Capture of Wuning in northwestern Kiangsi near Hupeh border by the Japanese on March 29 admitted in Chungking.

Street fighting continuing at Kiangmen in southern Kwangtung; Japanese claim city recaptured and their troops are advancing to Hsiuhui; Chinese in Chungshan and Shunteh organising defenses in anticipation of Japanese attack.

Japanese occupation of Stratley Islands in South Seas on March 31, officially announced by the Tokyo Foreign Office. France, which also claims ownership of the islands, protesting against the seizure.

Wang Ching-wei, ousted Kuomintang politician, issued lengthly statement through the Japanese news agency **Domei**, stressing that cooperation with Japan is "indispensable way" for China to maintain her existence and independence and bring about stability in East Asia. Statement revealed many National Government secrets, concerning the former German Ambassador, Dr. Oskar Trautmann's attempts at mediation in December, 1937.

Lt.-Gen. Yoshizo Umetzu who signed the "Ho-Umetsu Agreement" (1937) and recently commanding Japan's Ist Army Corps in North China, reported killed on March 22 or 23 in an engagement with Chinese troops near Shulu, in Central Hopei, southwest of Chengting, according to **Central News Agency** report; denied by Tokyo War Office

⁂

April 2

Heavy fighting in Kaoan area, on Nanchang-Changsha highway, about 50 kilometers southwest of Nanchang. Japanese claim Kaoan captured (this morning) but no confirmation available from Chungking. Japanese advance to the south of Wuning halted by Chinese troops at a point two miles from the city. In South China, fighting continued between Kiangmen and Hsiuhui.

Crossing the Siang river in Hupeh, Chinese troops attacked Japanese positions on east bank of the river. The central column said to have occupied Sanhochan and moving on Tafenchan.

Shanghai Municipal Council and British Defence Force posted special guards at the First Special District Court in International Settlement in view of Japanese threat to occupy the institution, as contained in Fu Siao-en's note to the S.M.C. and Shanghai Consular Body.

⁂

April 3

Kiangmen in southern Kwangtung reported again captured by the Chinese forces (yesterday), when two Kwangsi divisions launched counter-attack on Japanese, forcing them to abandon the city. Pakkai also recovered on same day.

Another foreign mission property in Sian, compound of English Baptist Mission, bombed by Japanese planes yesterday. Meeting hall of the Mission completely destroyed. Seven planes participated in raid on Sian and dropped over 50 bombs in heart of the city.

Fighting in Kaoan sector continued; Japanese forces at Nanchang pushing southeastward in direction of Chekiang-Kiangsi railway and highway.

Japanese aircraft has subjected Chenhai on the Chekiang coast east of Ningpo to severe aerial bombardment daily during the past few days.

Sir Robert Craigie, British Ambassador to Japan, left Tokyo for Shanghai yesterday to meet British envoy to China, Sir Archibald Clark Kerr. Tokyo **Nichi Nichi Shimbun** stated that the meeting of the two British ambassadors in Shanghai was intended to frustrate Japan's attempts to "build a new order in East Asia." Journal urged complete and immediate change of Japan's policy towards Great Britain.

Japanese news-cameraman, Shunjiro Shiroki, official photograph of the Japanese Army in China, killed in action near Canton on March 30, according to Japanese report.

H. F. Dyott, prominent British merchant in Tientsin, who was kidnapped by allegedly "pro-Japanese" bandits on March 17, reported to have been released.

Kiangmen in southern Kwangtung again changed hands, Japanese report claimed city recaptured from the Chinese, who were retreating to to Hsinhui, south of Kiangmen.

According to official announcement made at Chungking, during the latter half of March (March 16-31), 434 battles were fought between the Chinese and Japanese forces on the various fronts. During this period, 24,498 Japanese officers and soldiers were killed, and 711 made prisoners.

Budget of the National Government for present fiscal year (Jan. 1 to Dec. 31, 1939), totals $2,850,000,000 as compared with $1,200,000,000 for 1936 (pre-war) budget, according to Chungking report.

Eiji Amau, former Japanese Foreign Office spokesman, slated for the post of minister-at-large at Shanghai, replacing Masayuki Tani, who was recalled last fall. Amau is now Japanese minister to Switzerland; was the author of famous "hands-off-Asia" declaration.

Japanese military authorities in Shanghai reported constructing huge fortifications in the Woosung area at estimated cost of $3,000,000.

Reviewing hostilities in China, **Krasnaya Zvezda**, organ of the Soviet Red Army, declared that Japanese occupation of the area in vicinity of the Han river and Nanchang was of local significance and could not affect the general progress of the hostilities. Anti-war sentiment said spreading in ranks of Japanese troops in China.

Two important announcements made at Chungking by the Kwangsi and Yunnan Provincial Governments. Kwangsi authorities announced abolition of the 5th Route Army as from April 1 and Kwangsi armies henceforth will be placed under command of the Central Government. Yunnan authorities announced the transfer of the mint at Kunming to the Central Government.

America's unofficial boycott against Japanese goods accounts for about 26 per cent of the total decrease of $52,000,000 in American imports from Japan during the first year of the Sino-Japanese war, declares a writer in the **Far Eastern Survey** of the Institute of Pacific Relations.

⁂

April 6

Chinese force in northwest Kiangsi now holding position south of Kaoan. Japanese troops at Wuning attempting to push westward towards Hsiushui.

Hsi Hua Jih Pao, Chinese communist organ at Chungking, urged arrest of Wang Ching-wei and his associates in Hongkong and Hanoi, and also elimination of pro-Wang elements from the ranks of the government. "Only in a thorough-going purge of such elements," the paper emphasized, "can we hope to achieve final victory in this war of resistance."

⁂

April 7

Chinese troops advance in Central Hupeh. Closing in on three sides, Chinese units reported to have entered Chunghsiang on west bank of the Han river; severe fighting now progressing at Szekang on Hankow-Ichang highway.

Japanese forces at Wuning in northwestern Kiangsi continue to push southwestward in the direction of Hsiuhsui. Heavy fighting going on southwest and northwest of Kaoan, with the Japanese attempting to move towards Shankao.

Chinese forces in northern Kwangtung launched general offensive yesterday, capturing Sinkia in the morning and advancing to Kiangtsun, 11 miles from Canton, late in the afternoon, according to Chinese report. Meanwhile, a counter-attack was launched on April 5 by the Chinese troops on the West River front, moving towards Samshui and Nanhai.

⁂

April 8

After suffering heavy losses, Japanese forces abandoned Hsinhui (southern Kwangtung) yesterday morning and Kiangmen, Pakkai and Jongha last night, according to reliable foreign reports quoted by **Reuter**. Japanese losses in yesterday's engagements estimated at 1,000 men. Retreating to Kauking, Japanese were fiercely attacked by Kwangsi troops. Japanese positions and troop concentrations in Kwangtung bombed by Chinese aircraft yesterday.

Japanese troops said withdrawn (yesterday) from Kaoan, northwestern Kiangsi, setting fire to the city before evacuation, according to Chinese field dispatch. Kaoan still burning today.

Hengyang, Hunan, heavily bombed by 18 Japanese planes yesterday. Over 100 bombs dropped on different parts of the city, destroying some 800 houses. Number of casualties believed large.

More than 20 Japanese planes bombed outskirts of Kunming, capital of Yunnan, this afternoon. Chinese pursuit craft battled the raiders, but result of the engagement not yet known. Chinese anti-aircraft guns also used.

After conferring with Sir Archibald Clark Kerr, British Ambassador to China, in Shanghai, Sir Robert Craigie, British envoy at Tokyo, departed for Japan yesterday. Sir Robert said that only problems of "mutual" interest were discussed, hence their talk was of no political significance. Sir Archibald departed from Shanghai for Chungking today. Rumored that Britain may attempt at mediation in Sino-Japanese hostilities.

Japanese military authorities renamed Shanghai highway leading from Kiangwan to Woosung, in honor of Gen. Shunroku Hata, former commander of Japanese Forces in Central China.

Who's Who in China

Y. Lewis Mason, advertising service; born at Ihing, Kiangsu, Dec. 26, 1896; graduate of Tsinghua College, Peiping, 1920; A. B. Colorada College, 1921; M. A Columbia University, 1923; M. C. S. New York University, 1925; lecturer on Advertising

陸梅僖宇治倫

Y. Lewis Mason (Lu Mei-seng)

in the Great China University, the Soochow University and the University of Shanghai; Chinese Executive, World Wide Advertising Corporation, N. Y., 1923-25; now Director and Manager, Consolidated National Advertising Company; member of the following academic and social fraternities: Alpha Kappa Psi (Econ.), Eta Mu Pi (retailing), Phi Lambda (social), F. & A. Mason of Amity Lodge; member, Yangtsze Advisory Committee of China International Famine Relief Commission; chairman, Board of Directors of Y's Men's Baby Clinic; president, Shanghai Y's Men's Club, 1936; Chinese Regional Director of International Y's Men's Clubs; director of Chinese Y. M. C. A.; address: Consolidated National Advertising Co., 255 Shantung Road, Shanghai.

China's Cotton Industry

(*Continued from page 241*)

over a wide area, the demand for textile products, particularly those of domestic make, is as keen as ever. Actually, the decrease of output of mills either destroyed or which suspended operations since the hostilities has boosted the price of textile goods, and this in turn makes the market appear brisk. The Chinese mills operating in the Settlement area of Shanghai are making an enormous profit. In 1938 one of these mills made about $9,000,000, which is unprecedented in history.

700,000 Spindles Destroyed

Prior to the hostilities the Japanese had 49 cotton mills in China, of which 32 were located in Shanghai. During the hostilities, a total of about 700,000 spindles is said to have been destroyed, representing two mills in Shanghai and nine in Tsingtao. In order to increase the productivity of the Japanese mills, the Japanese have decided to install 900,000 spindles in the Japanese mills in Shanghai in the near future. At present, 25 of the 32 Japanese mills in Shanghai are operating, the products of which are being dumped chiefly in the occupied areas at a price much lower than that of Chinese products.

Since the outbreak of the hostilities, 280 Chinese factories, representing a total capital of $40,000,000, have been removed from coastal and river cities into the interior cities of southwestern provinces. Of this total, more than 50 per cent belongs to the textile industry, whose capitalization, labor force, output and use of power formerly constituted between one-third and two-thirds of the total figures for all Chinese factories.

A great many imposing plans for the development of the cotton industry in China have been announced by the Japanese since the beginning of the Sino-Japanese hostilities and huge sums of Japanese capital are said to be waiting for investment therein. Thus far, however, none of these plans has been realised. Even the Japanese cotton mills which were destroyed in Tsingtao during the hostilities are being rebuilt only at an extremely slow pace and to a small extent. It is reported that the Japanese have removed quite a number of machines, especially those of British and American make, from the premises of Chinese mills located in occupied areas and erected them in their old mills, instead of bringing in new ones from Japan.

Japan Holds 50 Per Cent

Japan's ambitious schemes for the domination of the cotton industry in China are not new. Since the first cotton mill was opened in Shanghai in 1900 by the Nagai Wata Kaisha, the Japanese have studied and learned to know yarn and cotton cloth as well as the psychology of Chinese workmen. They established or purchased, prior to the hostilities, about 50 per cent of the total spindlage in China.

Japan is absolutely leader in Chinese imports of textile machinery, and even in such items as machine tools. Much of the Japanese textile machinery imported, however, has been idle spindles and looms transferred to China from Osaka. The enormous extent of the commercial booty which the Japanese have harvested in China is evident. The figures also demonstrate the tremendous losses suffered by other countries in their former hold on China's import markets.

Having thus controlled the manufacture, transportation and trading of cotton, as well as the import of both textile goods and textile machinery, the Japanese have formed a Cotton Production and Cotton Distribution Control Commission, the aim of which is obvious. Export of raw cotton from North China is now placed under a license system by the "Peiping Provisional Government." Government agencies for the purchase of the raw cotton have been established at Tientsin, Tsinan and Tsingtao. Last year about two-thirds of the cotton available in North China was shipped to Japan, and no further shipment of any North China cotton to Central China will be allowed. The Japanese have extended full control of the transportation of raw cotton by placing miscellaneous taxes on the way, called "protection" taxes. For instance, a picul of cotton transported from Nantungchow to Shanghai formerly cost about $3, but it now costs as much as $18, including all sorts of taxes.

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Men and Events

The Soviet aviator Ivan Cherevichni, flew a heavy twin-engined plane along the route connecting Moscow with the Lake Baikal district, a distance of 12,000 kilometers, remaining aloft for nearly 70 hours, according to a *Tass* report on April 14.

•

Major-General Jiro Maki, who participated in the Japanese infantry landing on Hangchow Bay in November, 1937, who later retired and became a Buddhist priest, will return to China shortly, according to *Dontei* report. It was stated he would make a tour of all front lines in Central China and pay homage to the spirits of those who have been killed. He will wear Buddhist robes on the present occasion, stated the official agency report.

•

A total of 10,667 motor vehicles were registered by the International Settlement at the end of the March quarter of 1939. Private motor cars topped the list with 5,960 licenses including special licenses and those issued to the Shanghai Defence Force. Private motor trucks accounted for 1,605 and public motor trucks for 1,517 of the vehicles registered. A total of 222 omnibuses, including 51 private vehicles and 17 French omnibuses which were registered for the first time, 16 motor charabancs, and 481 motor cycles were also recorded by Settlement officials. Thirty-two ambulances and 52 trade vehicles bring the total to its present number.

•

Of China's 4,000 public and private libraries, more than 2,500 located in war areas or Japanese occupied territory, have been destroyed by Japanese airbombs or artillery shells, according to a report of the Chinese Library Association issued at Kunming on April 10. Many of the libraries were thoroughly pillaged and their books burned, according to the report. In the provinces of Szechwan, Kwangsi, Shensi and Kansu, there are only five libraries which have more than 50,000 volumes each, while there are only a few with more than 10,000 books in Kweichow and Yunnan provinces.

•

Dr. F. L. Hawks Pott, President of St. John's University, urged Chinese students to use their leisure time to serve their country, in the course of an address at the annual meeting of the Shanghai International Educational Association, held at the Y. M. C. A. on April 14. Dr. Pott said that students should (1) develop the power of judgment; (2) play the role of reformers; (3) use leisure time profitably; (4) realize that education develops character. Students should be in the vanguard of true reforms and should influence public opinion, he said. They should use their leisure in working for the welfare of the less fortunate general masses. Officers elected by the Association included H. C. Chen of the Education Dept., Municipal Council, president; vice-presidents, Miss L. Robinson and Dr. M. Krebes; honorary secretary, Mrs. Richard Campbell; honorary treasurer, R. G. Southerton; members of Council, Alfred Emms, Lester Institute; Mrs. Miriam L. Young, S. M. C. secondary school for Chinese girls; Dr. C. H. Westbrook, University of Shanghai; Miss V. M. Nyi, Chio Ming Primary School; Miss B. Lamberton, College Municipal Francais; Wm. L. Sung, St. John's University; Hwang Chung Su, Nieh Chih Kwei Public School. A. F. T. Holland, retiring chairman, presided at the meeting.

Financial note from the Tokyo *Hochi* (April 6): "Government will take more positive measures to encourage savings and investments in government bonds according to Finance Minister."

•

Walter Bosshard, well-known correspondent and news-photographer in Peiping, departed last week for his home in Zurich, Switzerland, where he will remain for the next six or eight months.

•

Here is the way the Japanese reported the loss of a plane in the China War. From the Tokyo *Asahi* (April 6): "While flying low due to poor weather, Japanese airplane is hit by enemy shot on engine and seven soldiers forced to crash—special report from undisclosed base."

•

A. G. Politis, the first Greek Minister to serve in Japan in 15 years, arrived in Tokyo on April 8. Mr. Politis is 45 years of age and has held diplomatic posts at Vienna, Berlin, Paris and London. In an interview in the *Nichi-Nichi*, Mr. Politis said, "I like Japan very much. I'm charmed with this country. I know nothing about what has happened in the Balkans."

•

The American Junior Chamber of Commerce has announced its sponsorship of new classes in the Chinese language, both spoken and written. The classes will be open to men and women and the tuition will be $15 a month or $40 a term. Persons interested have been asked to write to the Junior Chamber at 209 Foochow Road.

•

Nine classes in the English language are being conducted in the Missions Building, Shanghai, for Jewish refugees who have arrived here and find a knowledge of English necessary in order to find work. The teachers are American and British missionaries who are themselves refugees in Shanghai from posts in the interior of China to which they are not able to return. Many of the Jewish refugees are also studying the Chinese language.

•

The buildings and campus of Shanghai University, located on the Whangpoo, north of the International Settlement, are still under the control of the Japanese Army, according to report of the officials of the institution on April 15. Several months ago the Japanese military announced that the property had been handed over to its owners, the American Baptist Mission, but the report turned out to be false. While the Japanese evacuated the buildings, they have continuously refused to permit the University authorities to resume control of their property.

•

A large quantity of heroin seized in a dope raid in Kansas City, Missouri, on April 12, originally came from the Japanese Concession in Tientsin, according to *Havas* report from New York. Officials of the U. S. Treasury Department said that chemical analysis of the drugs had established the origin of the parcels. The Treasury report will be sent to the Opium Commission of the League of Nations at Geneva, which is scheduled to meet in May. Harry J. Anslinger, Chief of the Federal Narcotics Bureau, who conducted the Kansas City raid, reported that 13 suspects had been arrested and more than 1,000,000 doses of various narcotics had been seized. Arrests were made in Missouri, Oklahoma and New York.

M. W. Cardwell, manager of Haskins and Sells, certified public accountants, has gone to Japan on business.

*

O. G. Steen, Vice-President and Director in the Far East of the American President Lines, has returned to Shanghai from a trip to Hongkong and Manila.

*

According to a report in the *Sin Wan Pao* (April 17), the China National Aviation Corporation has purchased three new planes in the United States for service in southwest, west and northwest China.

*

Hans H. P. Melchers, general manager in the Far East for the German *Transocean* news service, has returned to Shanghai from a trip to Singapore and Colombo.

*

Several hundred foreign and Chinese residents were guests of the Commanding Officer and officers of the Fourth U. S. Marines at a reception at the French Club on Friday, April 14. Col. and Mrs. Joseph C. Fegan were in the receiving line and welcomed the guests.

*

The American Junior Chamber of Commerce has elected the following officers and directors for the present year, President, R. J. Monical; Vice-President, J. R. Reed; Treasurer, E. C. Davis; Secretary, H. Maxey Smith, Jr.; Directors, L. F. Bright, J. E. Horton and W. O. Krause.

*

H. J. Timperly, correspondent in China for the *Manchester Guardian*, who has been traveling and lecturing in the United States and Great Britain for several months, has returned to Shanghai for a brief visit. Prior to coming to Shanghai, Mr. Timperly made a trip to Kunming and Chungking.

*

Prof. Wm. C. Johnstone of the Political Science Department, George Washington University, Washington, D. C., is visiting in Shanghai, following a trip through Japan, Manchuria and North China. He is accompanied by Mrs. Johnstone. Prof. Johnstone is the author of the book "The Shanghai Problem," generally regarded as one of the best statements of the Shanghai issue ever written. It was published by Stanford University Press.

*

W. H. Plant, for many years manager of the office of the United States Steel Products Corporation, in Shanghai, has been promoted to the position of regional manager for the Far East in the home office and will not return to Shanghai. Mr. and Mrs. Plant returned to the United States several weeks ago. Mr. Plant had long been active in the affairs of the American community and at the time of his departure was president of the American Chamber of Commerce.

*

One of the semi-official foreign news agencies in Shanghai recently sent a correction of one of its previous reports to the local newspapers. The correction read as follows: "Kindly change the word, "horrifying" to "glorifying," and make the whole phrase read, "The new government program is *glorifying* humanity."

*

The British missionary A. G. Leigh, who was killed by a Japanese air-bomb at the town of Pingkiang, Hunan, early in March, was buried outside the North Gate of Changsha on March 21, according to a report in the March 23 issue of the *Hankow Herald* which was received in Shanghai this week. A large number of Chinese and foreigners attended the funeral. Mr. Leigh was a member of the Methodist Missionary Society. The *Hankow Herald*, in which the notice appeared is now published in Chungking.

The following item appeared in the Tokyo newspaper, *Yomiuri Shimbun*, on April 6: "The Emperor of Japan is deeply concerned over movements in the entire world."

*

Prof. Dickson H. Leavens, formerly member of the faculty of Yale-in-China University, Changsha, and in recent years on the research staff of the Harvard School of Business Administration and now research associate for the Cowles Commission and managing editor of *Econometrica*, is the author of a new book of special interest in the Far East, entitled "Silver Money." It was published under the auspices of the Cowles Commission for Research in Economics and includes 31 chapters with appendices.

*

A bus operated by the Japanese Daichoku Bus Company was held up and the passengers robbed on Friday morning, April 14 a short distance east of Nanziang, between Shanghai and Kiating. The hold-up occurred at 11 o'clock in the morning when the bus was passing along a creek. None of the passengers was injured, but a short time afterward the same group of highwaymen, numbering 15, held up a truck which was being driven by a Japanese named Toyoichi Nonoyama. As the Japanese had no money the bandits took him away with them. He was connected with the Dai Nippon Boseki Kaisha, a cotton mill. The Japanese sent a contingent of gendarmes to the district but failed to discover the whereabouts of the highwaymen.

Miura Asks Curb On The Shanghai Press

A note requesting the Shanghai Municipal Council to exercise strict control over Chinese newspapers and magazines alleged to be printing anti-Japanese propaganda articles in the International Settlement was handed Apr. 12 to Mr. C. S. Franklin, chairman of the Council, by Mr. Yoshiaki Miura, Japanese Consul-General.

"Mr. Franklin undertook to adopt thorough measures for control of the publications and expressed his appreciation of the view set forth in the representations of the Japanese authorities in this matter," according to a subsequent Japanese communique.

"This Japanese action was in line with the co-operative spirit for maintenance of peace and order, materialized in the agreement reached some time ago between the Japanese authorities and the S.M.C. regarding the prevention of terroristic actions in the Settlement," the communique continued.

Subversive Of Good Order

"At the same time, this action was in line with the view that the anti-Japanese actions of organs of publicity in the Settlement, which have fundamentally hampered the maintenance of peace and order in the Settlement, should be controlled by the S.M.C.

"The attention of the Japanese authorities has heretofore been drawn to the fact that even to-day, when more than one year has passed since the fall of the Shanghai areas and the Nationalist Government has retired to such interior places as Chungking, a greater part of those newspapers and magazines which are published in the Settlement still are under the guidance of organs of the Chungking Government and are engaged in anti-Japanese propaganda.

"They are openly resorting to such anti-Japanese actions as to stir up enthusiasm for resistance among the Chinese populace and encourage an anti-Japanese spirit."

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No Possibility of Peace

(Continued from Page 236)

Shanghai city regime under the instructions of the Japanese was inaugurated last week with Fu Siao-en as its president. The main purpose of the league is to boycott British goods and promote the sale of Japanese goods in the occupied areas.

Plans for the organization of a puppet central China regime in Hankow are being promoted by Chen Chung-fu, notorious pro-Japanese politician and henchman of Gen. Doihara. Chen recently arrived in Hankow from Peiping and is organizing a movement aiming at the "immediate cessation of the anti-Japanese hostilities and realization of peace in cooperation with Japan."

New Wuhan Municipality

Meanwhile, the Japanese last week created a special municipality embracing the three Wuhan cities to replace the present Wuhan peace maintenance committee. With Chang Jen-li as "mayor," the new regime is to serve as a nucleus of the projected central China administration.

What amounted to an indication of shortage of manpower in Japan was contained in a message from Tokyo that Japan had decided to introduce a system of compulsory military conscription in Manchukuo, patterned after the system in Nazi Germany. Neutral military observers in Tokyo regarded the report as significant. The mobilization of a strong native army in Manchukuo, it was pointed out, might greatly reduce the drain on Japanese manpower, if not in the present hostilities in China, at least in future wars involving Japan.

Coincidentally with this message is a Chinese intelligence report that driving into Manchuria, a large army of guerrillas and volunteers commanded by Gen. Ma Chan-shan, hero of the Nonni River, have penetrated the Japanese rear and reached Chinchow, south-western Liaoning, along the Peiping-Mukden Railway.

Gen. Chiang Kai-shek, in a radio speech broadcast from Chungking on Monday night, emphasized that spiritual strength was superior to material strength and that China had proved to the world that she possessed such qualities. The Generalissimo announced that May I had been set as the date for the full invocation of the national spiritual mobilization program which was promulgated on March 21 by the Supreme National Defence Council.

Sino-Reich Trade Pact

A trade agreement between China and Germany, providing for exchanges of goods amounting to $10,000,000 monthly, was reported to have been signed by the governments of the two countries, according to a Berlin dispatch. Germany will supply China with finished industrial products, while China will export minerals to the Reich.

Despite studious Japanese intrigues and the outright treachery of Prince Teh, the majority of Mongolian leaders remain unwaveringly loyal to the Chinese Government. In addition to the recent arrival at Chungking of Prince Sha, Genghis Khan's 21st lineal descendant, a young Mongol nobleman, who once studied in Japan, has also gone to the wartime capital to offer his services to the government. Known by his Chinese name as Ki Pa-tsan, this Mongol youth is determined to thwart the Japanese militarists' scheme for the complete conquest of Mongolia. He was sent to Japan by Prince Teh to study, but he returned to his league and then proceeded to Chungking, where he arrived in March.

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New Books of Interest in the Far East

Germs of Fascism in U. S.

THE JEW FACES HIS PROBLEMS—By Rabbi Roland Gittelsohn.

A BIRD'S-EYE VIEW OF JEWISH LITERATURE—By A. H. Friedland. Published by the National Federation of Temple Sisterhoods, Cincinnati, 1938.

As Hitler's sinister shadow rapidly extends over an increasingly larger portion of Europe, the four million Jews of the United States find themselves confronted with the question: "Can It Happen Here?" "No," say those who believe that the traditional American concepts of freedom and tolerance still retain their hold on American minds. "Yes," say those who find the causes which made Hitler's advent to power possible, in full bloom in the United States.

Rabbi Gittelsohn's mimeographed book is a thoughtful attempt to consider the problems facing the American Jew and to give source material for discussion on these vital issues.

Rabbi Gittelsohn's first question is: "Should we try to be assimilated?" His own reply is definitely in the negative. But he presents both sides in his discussion of the subject. His proponent of assimilation declares: "Different groups of people, striving to maintain the differences between them, are a major cause of hatred. The more these petty group differences can be eliminated, the more chance we have for the triumph of peace, tolerance and understanding. Our goal should be the abolition of these small groups, and a realization of the fact that we owe our allegiance to ever larger and more inclusive groups, that we are citizens of the world, not of small racial, national or religious 'clans'. To this end, we Jews should set the pace by seeking to become assimilated."

To this, the foes of assimilation reply: "No one can quarrel with the lofty goal of universal understanding that has been set forth here. But the levelling of all group differences is not the way to reach that goal. First of all, the elimination of all group differences is, at least in our present world, an impossibility. Giving up our Jewish differences today would simply mean the adoption of some other group differences, since we would still belong to certain groups, differing from other groups. Furthermore, the elimination of all group differences would not be a desirable thing even if it were possible. A world of sameness would be a world of monotony. The solution, then, is the preservation of various national and religious groups, and the cultivation of understanding, appreciation and respect among such groups. Not the elimination of differences, but the understanding of differences, is the solution."

Answering directly the question of whether "It Can Happen Here," Rabbi Gittelsohn finds that the soil is ready to receive the seeds of anti-Semitism. Just as in Germany at the time of Hitler's appearance, there is a great mass of impoverished people, who are ready to blame their misfortune on any group picked out by skilled agitators. There is also latent anti-Semitism, whose amazingly wide extent has been shown in an investigation conducted by the Rev. L.M. Birkhead. Those who seek a visual confirmation of Rabbi Gittelsohn's words, can only be referred to a recent issue of *Life Magazine*, which carried a wide selection of anti-Semitic posters and magazines published in every corner of the United States.

Rabbi Gittelsohn's conclusion is: "It *can* happen here if we do not remain awake to the danger. It *can* happen here if we remain indifferent and falsely secure... But it will *not* happen here if we and all other liberal Americans keep watch. If we can eliminate the economic injustice and the system of war which are breeding-spots for anti-Semitism. If we can thereby reduce the numbers of potential followers waiting for an American Hitler to appear on the scene, then we shall be doing a great deal to see that it does *not* happen here..."

Mr. Friedland's book is a condensed history of Jewish literature through the ages and in all lands where Jews live. The book is of intense interest to lovers of *belles lettres*.

G.

U. S. in World Affairs

THE UNITED STATES AND WORLD ORGANIZATION, 1920-1933—by Denna Frank Fleming. Columbia University Press, New York. U.S.$4. Illustrated.

Dr. Fleming, in *The United States and World Organization*, has recorded what followed the decision of the United States not to enter the League of Nations, up till 1933. The final chapter is the most interesting, for in it the author looks toward the future.

The book as a whole is a scholarly masterpiece. Students of world politics will be extremely pleased with the method of presentation of facts and their interpretation. America's relationship with world affairs, and League affairs, are set forth with great clarity. Her search for isolation, security, normalcy, prosperity, followed by the collapse of 1929, will not make Americans in the Far East feel particularly proud of their country's role in the world.

The author points out that no nation dares stand alone, today. Even the nations of Germany, Italy and Japan, "resigned from the world community, renounced all tolerance, cut their peoples off from the news and opinions of the world, reverting to reliance on force alone," cannot stand alone. He says: "With all the nations dependent for their prosperity, and most of them for their existence, upon access to the markets of the wide earth, it is inconceivable that they will submit to the restoration of an endless anarchy of private wars. It is intolerable that the family of nations should forever submit to the disruption of wars begun by a few turbulent regimes. The building of a democratic world organization strong enough to keep the peace is an endeavor which will require the best efforts of individuals, groups, and governments for many years to come. There can be no world stability or dependable peace without strong participation in world government by the world's most powerful nation (America)."

M. V.

Yarnell Proceeds To Hankow in the Isabel

Admiral Harry E. Yarnell, Commander-in-Chief of the United States Asiatic Fleet, left Shanghai for Hankow Apr. 15 aboard his yacht, the U.S.S. Isabel. The vessel was accompanied on the trip up the Yangtsze River by the U.S.S. Guam, which will take over the duties of station ship at Hankow, relieving the U.S.S. Oahu.

The British river gunboat, H.M.S. Scorpion, also left Shanghai for Hankow last week, carrying Rear-Admiral R. V. Holt on an inspection tour of the Yangtsze.

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In the United States Court for China

CLARENCE WILLIAM WARD *Plaintiff*	Cause No. 4395 Civil No. 2274 ORDER.
vs.	Filed at Shanghai, China,
MARY ELIZABETH WARD, *Defendant.*	April 14, 1939. WILLIAM T. COLLINS *Clerk.*

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 14th day of April, 1939, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 11th day of April, 1939, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 14th day of April, 1939, the plaintiff herein field an affidavit to the effect that the defendant does not now reside in China, nor has she resided therein since, and that defendant's last known address was 2216 River Avenue, Camden, New Jersey

NOW, THEREFORE, it is this 14th day of April, 1939, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 6th day of May, 1939, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court:
Dated at Shanghai, China,
this 14th day of April, 1939.

MILTON J. HELMICK,
Judge.

Japanese on Spratley Islands Since 1917

Japanese nationals have been mining rock phosphate on the Spratley Islandssince 1917, the Tokyo Foreign Office declared April 17 in a statement announcing that the Government would promulgate in the Official Gazette the following day its decision to place the South China Sea territory under the jurisdiction of the Government-General of Formosa.

The Foreign Office statement said the Spratleys consist of a group of small, low-lying sand islands 4.5 to 14 feet above high water level, each having an area of between 4 and 9.5 acres, between French Indo-China and the Philippines. Most of the islands are in a region hazardous for navigation. The main islands have long been given Japanese names, the statement said, such as Kita (north) Minami (south) Futagojima, Nishiawoshima, Sankakujima, Nakakojima, Kikkojima, Nanyojima, Nagashima, Kitakojima, Asukajima, Nishitorishima and Marushima.

The Spratleys generally have been regarded as having no owners, but Japanese have been mining rock phosphate there since 1917 and invested large sums of money in 1921 at Nagashima and in 1923 at Minami Futagojima to develop the islands' trading facilities, according to the statement.

Differences of opinion between Japan and France concerning the islands first arose in 1919 when, taking advantage of a temporary absence of Japanese from the islands, France sent warships there for the announced purpose of charting navigation routes, then laid claim to the islands as French territory, the Foreign Office statement continued.

Retraction of Claim Asked

Highly dissatisfied at the abrupt action of the French authorities, Japan lodged strong representations requesting a retraction of the claim to possession.

When France rejected the protest Japan adopted an attitude of non-recognition of the French claims to priority and has been holding the islands as Japanese possessions ever since, the statement said.

During the Japanese possession of the islands the French Government took no further action until the start of the Sino-Japanese hostilities, when it again put forward its claim of ownership. France then sent warships and civilians to watch the activities of the Japanese and support her claim. The Japanese Government thereupon sent a strong protest to the French Government and simultaneously dispatched warships to the islands to take all necessary measures for the protection of Japanese residing there and the safeguarding of Japanese interests. The islands have been placed under the jurisdiction of the Formosan Government-General to provide economic and communication facilities, the statement concluded.

Seizure of Portuguese Ships is Protested

A formal protest has been lodged with the Japanese Consulate-General by the Portuguese Consul-General, Dr. Alves, against the recent seizure here and along the coast of no fewer than 14 Portuguese-owned and registered steamers. Mystery surrounds the fate of the crews and passengers, whose total number and identities are unknown.

Eurasia Passenger Plane Shot Down by Japanese

A passenger airplane of the Sino-German Eurasia Aviation Corporation, while flying to Hanoi from Kunming (Yunnanfu), provincial capital of Yunnan, was attacked and shot down by a squadron of Japanese airplanes at Laokai, on the Yunnan-Annam border, on Apr. 13, according to a report received in Chungking. The German pilot was injured, but the passengers were believed to be safe.

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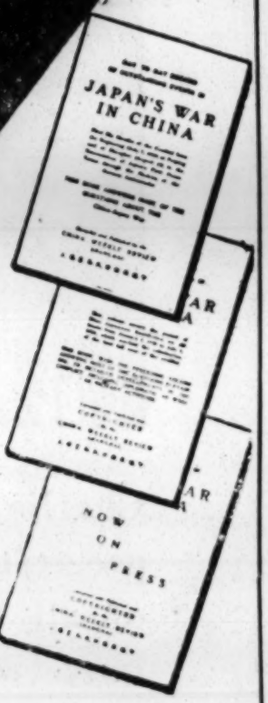

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